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 Europe House, Strasbourg

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IN THE CHAIR : MR DANKERT

President

(The sitting was opened at 5 p.m.)

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament adjourned on 30 June 1983.¹

2. *Agenda*

President. — At its meeting of 8 June 1983 the enlarged Bureau drew up the draft agenda which has been distributed.

At their meeting this morning the chairmen of the political groups instructed me to propose the following amendments.

¹ Approval of Minutes — Motions for resolutions (Rule 49 of the Rules of Procedure) — Petitions — Transfer of appropriations: See Minutes.

Monday:

I would remind the House that the vote on the motion for a resolution contained in the Blumenfeld report has already been taken. I therefore propose to insert in its place the vote on the motion for a resolution contained in the Prout report on consumer credit. I propose that the vote on Mrs Vayssade's report on the annual accounts of banks be taken on Wednesday rather than today since, because of difficulties in communications with Luxembourg, the documents are not yet available.

Mr Vandemeulebroucke (CDI). — *(NL)* Mr President, I think it would be more logical if the vote on the Prout report, which has now been included in the agenda, was taken after today's proceedings, and I will give you a practical reason for saying this. My group would like to speak twice on Mr Papapietro's report

Vandemeulebroucke

and to devote all our speaking time to it. If the Papapietro report is not taken until tomorrow, we shall lose the minutes of speaking which we would normally have today.

President. — Mr Vandemeulebroucke, I do not think that there is any cause for concern on that score. The vote on the Blumenfeld report, which was a long one, has taken place and the Cecovini and Papapietro reports are now on the agenda. It is absolutely certain that the Papapietro report will be dealt with on time so that you will not lose any of the minutes allocated to you, particularly as the vote on the Vayssade report will not take place. Since the documents are not available the only vote will be that on the Prout resolution to which no amendments have been tabled which, I believe, means that it will not take more than a minute. Consequently you will have more speaking time this afternoon.

Mr Vandemeulebroucke (CDI). — *(NL)* In that case, I withdraw my objection.

Mr Tyrrell (ED). — Mr President, I am concerned that it should be suggested that Mr Prout's report be taken today. I am concerned because, there has been no notice that it would be taken today: it is not on today's agenda. Mr Prout, who, as you know, is a most regular attender of this Parliament is unable to be here until Thursday. He has been conducting the negotiations with the Commission, and because of this he has been given certain undertakings. It is appropriate that it should be he who introduces this report for, I think, the third time to the Parliament, and I would therefore urge that this report not be taken until either Thursday afternoon or Friday morning.

President. — Mr Tyrrell, there is no debate; there is only the vote on the resolution. I do not foresee any particular difficulties. Of course, it would be preferable to have the rapporteur here, but if you do not insist, I think it will make no difference whether we vote on it now or on Thursday, and if we vote on it on Thursday it will have to be added to an already very heavy voting agenda. That is the only reason for preferring to vote on it now.

Mr Forth (ED). — Mr President, may I ask you and colleagues to remember the words you have just uttered, which is that if the rapporteur cannot be here, we may proceed with his report? I seem to recall that you and the House have taken quite a different view on other occasions. So will we remember that the next occasion it happens and it is suggested that because the rapporteur is not here something cannot be taken?

President. — Mr Forth, as I said to Mr Tyrrell, this is not a situation where the presence of the rapporteur is

indispensable. There are cases which are more complicated.

Mrs Kellett-Bowman (ED). — It may not be indispensable, but it is important to know his views on amendments. He could not possibly be here under any circumstances,

President. — Mrs Kellett-Bowman, there are no amendments. That is why his absence can be justified.

Tuesday:

No changes foreseen.

Wednesday:

The European Commission will make a statement at 9 a.m. concerning a preliminary draft supplementary budget for 1983. The statement will be followed, pursuant to Article 40 of the Rules of Procedure, by a short debate lasting a maximum of 1 hour.

Mrs Desouches (S). — *(FR)* Mr President, I would like to request that the vote on the proposed directive on air transport and the report by Miss Forster be taken off the agenda. In this connection I would invoke Article 84 of the Rules of Procedure to support my contention that these texts have now lapsed since the Commission has drawn up a new directive, the text of which has been communicated to aviation experts, but not to the Committee on Economic and Monetary Affairs. We feel, therefore, that Parliament cannot give its opinion on a text which the Commission itself considers obsolete but that it should, rather, consider the new text. I would, therefore, request that the old text be withdrawn.

President. — You are asking therefore, Mrs Desouches, pursuant to Rule 56 of the Rules of Procedure, that Miss Forster's report be referred back to committee.

Mr Andriessen, Member of the Commission. — *(NL)* Mr President, it is true that the Commission is working on the initial proposals with which Parliament is familiar, but the Commission would like to know of Parliament's views on the matter if and when any new version is completed. The Commission would therefore be grateful if Parliament could deliver an opinion on the proposal now before it.

Mr Seefeld (S), chairman of the Committee on Transport. — *(DE)* Mr President, as chairman of one of the committees concerned I would like to stress clearly what my colleague, Mrs Desouches, has just said. I find it incredible that the Commission should draw up a new proposal while at the same time ask Parliament to deliver an opinion on their original proposal which they themselves consider to be no longer valid. The Commission ought to say: drop the original proposal, we are drawing up a new one shortly on which Parliament can give its opinion in the near future. It

Seefeld

is unacceptable for Parliament to be consulted on a report which the Commission has already dropped. I would ask the House to approve Mrs Desouches's request.

Miss Forster (ED), rapporteur. — Mr President, I am most surprised at Mrs Desouches moving this motion because she made similar comments in the Committee on Economic and Monetary Affairs when it discussed this matter. Our discussion took place in the presence of the Commission. Mr Sorenson of the Commission promised the committee that, if there was a new directive or a new text which differed markedly from what this Parliament votes upon he would come back to Parliament for its opinion. Therefore, I think it is most improper of her to move this motion and I ask Parliament to debate the report which the committee adopted. The vote on the directive was almost unanimous with only three abstentions. I therefore would like to put it to the House, as I have been instructed to do by my committee.

Mr J. Moreau (S), chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, I appreciate Miss Forster's surprise, for the answer we received from the Commission at our meeting in Athens was ambiguous in the extreme. However, Miss Forster, we have since learned that the new text exists and has been distributed. In the light of this I fail to see why you wish to maintain your report, even though it has been adopted by our committee, for we know that it is already null and void and that the Commission did not take account of it in establishing its new report. I feel it would be best if you requested withdrawal yourself.

(Parliament approved Mrs Desouches's request)

President. — I have also received a request, under Rule 56, from the European Democratic Group that Mr Simmonet's report on the Financial Regulation, which is Item 147 on Wednesday's agenda, be held over until the September part-session.

Mr Edward Kellett-Bowman (ED). — Mr President, the final versions of this report in the various languages were made available to Members when they arrived in Strasbourg today. The first time I saw the final version was when I found it in my document locker when I arrived today. I have not received a copy on any previous occasion. This is true, certainly of the English language version, and of some of the other language versions as well.

Mr President, this document has constitutional importance. We recommend revisions to the Financial Regulation every three years. It is important that we get the text right. It is essential that the wording be correct because it is interpreted as a legal document. It strikes me, Mr President, that to pass this round to Members Monday lunch-time and expect them to debate it on

Wednesday morning and vote on Wednesday evening is asking too much. I think this should be postponed until September. I believe, Mr President, you will find the chairman of the Committee on Budgets sympathetic towards this postponement proposal.

Mr Notenboom (PPE). — (NL) Let me say straight away, Mr President, that it makes little difference whether this Financial Regulation is debated at the July part-session or the September part-session. But I would point out that all the documents were ready by Tuesday of last week, that those who are not too familiar with this subject matter will undoubtedly be none the wiser in September, because it requires a great deal of study, and that those who are familiar with this subject matter will always be so. I do not therefore really see why it must now be held over, but it makes little difference one way or the other. I do not know what Mr Lange, who does not appear to be here at the moment, would think about this. I am deputizing for him. Although I do not consider it very important, I do not think there is any need to postpone the debate. I therefore request that this item be left on the agenda, especially as it is one of the few major items this month.

(Parliament rejected the European Democratic Group's request.)

Mr Forth (ED). — Mr President, could I take you back just briefly to the matter of the Prout report? You came to us with a proposal that it be included on the agenda in place of the Blumenfeld report. I think I am right in saying that one of my colleagues objected to this. I think I am also right in saying that you did not then put it to the vote as to whether it should be included or not. Am I correct in this and what, therefore, is its status?

President. — Mr Forth, normally, according to Rule 56, proposals to change the proposed agenda have to come to us one hour before the opening of the session ...

Mr Forth (ED). — But we did not propose the change! You proposed the change — we did not.

President. — Yes, but that was known this morning. The chairmen of the political groups accepted it. They have probably informed their groups so that I may assume that everybody was aware of it and could have communicated any objections in the appropriate manner.

Mr Forth (ED). — Mr President, I think we are now embarking on a radical departure from our previous practice because, previously I believe, we took the printed agenda and examined proposals to change that. You are now saying that we must somehow be aware of what is agreed in the Monday morning cabal and be sufficiently aware to put our objections in an hour before the session begins. That is a radical depart-

Forth

ture from our previous procedures. I think this is something that the House should be well aware of and be careful of. I would expect you to come, even with the great strength of the group chairmen behind you, to make a proposal to the House on which the House was then able to vote. With respect, you seem now to be close to denying us that privilege and I think that is something that should be carefully looked at, Mr President.

President. — Certainly, Mr Forth, I am not denying you the privilege of a vote. But I have only to establish that nobody asked for a vote.

Mr Forth (ED). — We had an objection.

President. — Yes, but not a request for a vote. After that objection a dialogue was established and I did not hear any formal proposal to vote on whether or not to have the Prout resolution on today's agenda.

Mr Forth (ED). — Am I too late now to propose such a vote, Mr President?

President. — I think so, Mr Forth.

(Laughter)

We still have another request for Wednesday. That is the request by Mrs Martin on behalf of her group to deal with the Boserup report on the costs of management committees, now scheduled for Thursday, after the Simonnet report on Wednesday.

Mr Brøndlund Nielsen (L). — *(DA)* Mr President, I recommend that we defer this item to Wednesday, when we are due to discuss budgetary matters. This is an important question: it is about money being available both for the administrative committees and for the committees whose task is to advise the Commission. Even if some of the amount is set aside for these purposes, there will still be a need for more money and, since Parliament has been looking closely at these matters and can continue doing so, I suggest that, in order not to interrupt and hinder the Commission in its work on the material problems, we take up this question in conjunction with the budget debate as a whole, instead of running the risk that it may not at least get serious treatment, because it comes right at the bottom of the agenda for the week.

Mr Arndt (S). — *(DE)* Mr President, one can always play up the importance of such proposals but the supplementary budget, and indeed the budgetary situation as a whole, will be debated on Wednesday. For example the question of amount is of very secondary importance. I have recently reached agreement on this question with the chairman of the Committee on Budgets. Since the chairman of the Committee on Budgets, the chairman of the Committee on Budgetary Control and the two committees will consider immediately after the summer recess whether the final

tranche can be released, I feel that there is no need to burden the plenary part-session with this matter.

(Parliament rejected Mrs Martin's request)

President. — With regard to *Thursday*:

The chairmen of the political groups have proposed that Miss Hooper's report on containers of liquid for human consumption be entered after the Bonaccini report.

The report by Mrs Squarzialupi on cosmetic products, the report by Mr Bombard on the use of sewage sludge in agriculture and the report by Mr Gautier on programmes for coordinating agricultural research (Nos 153, 154 and 156) have not been adopted in committee and have therefore been withdrawn from the agenda.

Mr Berkhouwer (L). — *(NL)* Mr President, my group wishes to protest strongly against the sudden inclusion in this week's agenda of the controversial matters discussed in Miss Hooper's report — I do not even know which report, an old one or a new one, but whichever one it is. What we will be discussing here is the extremely important question of the packaging of liquids. At one of its previous part-sessions Parliament referred this matter back to the committee responsible with instructions to begin finding out how things actually stand at present, because no one knows. And then, somehow or other, we were to have a new Hooper report, but no one knows anything about that either. No one knows whether we are going to discuss the old proposals or new ones. The whole thing is in a chaotic state, and it should be discussed at an unscheduled meeting of the Committee on the Environment.

We do not yet have a text, we do not yet have a report, we do not yet have any translations of the text, neither Parliament nor the committee responsible has anything at all at the moment. There is therefore no justification, Mr President, for going against the procedure that Parliament laid down on a previous occasion, consisting in the referral of the report back to the committee so that it might take its time reconsidering this problem, and unexpectedly scheduling an in-depth debate on the matter during this part-session. My group is therefore unanimously and very strongly opposed to the inclusion of this matter in this week's agenda.

Mr Collins (S), chairman of the committee on the Environment, Public Health and Consumer Protection. — If there is confusion surrounding this, as Mr Berkhouwer alleges, then I should remind the House that part of that chaos was due in no small measure to Mr Berkhouwer himself during discussions in the committee. He was there during the discussions and should, of course, be well aware of the position that obtains now.

Collins

The position is quite simple: some months ago this matter was referred back to the committee for further discussion because the Commission refused to accept the amendments that the Parliament recommended. Miss Hooper, the rapporteur, and myself have since engaged in discussions with the Commission on the matter and we have reached what we consider to be a compromise which we can put before the Parliament, and it is for Parliament to decide whether or not this compromise position is acceptable or not.

We have since had that referred back again to the committee — although without very much argument — and we have reorganized the way in which it is presented to the Parliament so that it ought to be clear even to those Members who have failed to attend the committee on more than one occasion during the discussion of this particular matter. So, so far as we are concerned, the position is perfectly clear: we have had this on the stocks for a very long time now; the Council is pressing for urgency and, frankly, I do not blame them in the circumstances. I do not blame them at all. I would not normally be standing on my feet arguing in favour of accepting a Council plea for urgency, but in this particular case I think they are amply justified and I think we ought to accede to the request.

President. — I shall read to you Rule 35 which states that in the case of referral back to committee

The committee shall report back to Parliament within one month or, in exceptional cases, any shorter period decided by Parliament.

We shall now vote on Mr Berkhouwer's proposal not to enter the Hooper report on Thursday's agenda.

(Parliament rejected this proposal)

The report by Mr Nielsen on salmon fishing will be taken without debate and therefore entered on Friday's agenda after the votes. The enlarged Bureau proposes that the report by Mr van Minnen on the minimum exchange requirements for visits to the GDR be entered after the Boserup report.

Mr Habsburg (PPE). — *(DE)* Mr President, I sincerely regret that the very important van Minnen report, which was closely followed in the Federal Republic, will now be taken so late that it will pass unnoticed. I therefore formally request that it be moved forward to Thursday next and if possible be taken immediately after Item 152, the Narducci report.

President. — I must point out that if this report is entered as Item 153 it will probably be taken late on Thursday. If, on the other hand, it retains the number it now has, it will be taken on Friday morning. That must be borne in mind. The proposal, therefore, is to enter the van Minnen report as Item No 153.

Mr Van Minnen (S). — *(NL)* Mr President, the rapporteur is, of course, deeply moved by Mr Habsburg's praise, but I nevertheless have a brief comment to make to you.

The Bureau's decision also took me by surprise. It is indeed unworthy of a Parliament that a political report should be placed on the agenda at some odd time. I also understand that the Bureau's proposal is that it should be taken as the very last item on the agenda. That will be some time on Friday, when less than 1% of the quorum is present. As rapporteur, I am against this.

President. — I would point out to you that the Bureau has not slipped something on to the agenda at some odd time. Your report was placed on the agenda because of a formal request, received at the last minute, from the Political Affairs Committee — which I had to comply with at once — that it be placed on the agenda of the July part-session. The agenda had, therefore, to be adjusted accordingly with the result of which you are aware.

(Parliament approved Mr Habsburg's request)

Friday

I have received from the Council four requests for urgent procedure;

— on the regulation on compensatory amounts in the pig-meat sector. Urgent procedure is justified by the fact that the new basis for calculating monetary compensatory amounts for pig-meat must be introduced on 1 August 1983 in accordance with the Council report of 16 and 17 May 1983 on the fixing of agricultural prices;

— on the regulation on food aid policy and management. The Council justified urgent procedure, which Parliament had already rejected on two previous occasions, by reference to the fact that without the implementing regulations referred to in the above-mentioned proposals, the Commission would be unable to implement food aid measures for 1983. The Council added that it called on Parliament, with particular reference to Article 139, paragraph 2 of the Treaty, to give its opinion on this proposal as a matter of urgency, if necessary in the context of the special part-session, by 8 July 1983 at the latest.

The Council concluded its request by stating that it had been agreed that if the European Parliament's opinion had not been submitted by this date, it must exercise its powers;

— on the regulation on lemons. Urgent procedure is justified as a consequence of the agreement of 16 and 17 May on agricultural prices.

Finally the Council requests urgent procedure on the decision on the coordination of agricultural research.

President

The House will be consulted on these requests tomorrow morning.

Mr Pearce (ED). — Mr President, a point of clarification, if I may, about the food aid regulation. Word seems to be going round, unofficially, that the Council has already decided what it is going to do and that it is, in fact, announcing what it is going to do, even though according to the declaration that you have just read out it has not yet officially made up its mind.

I wonder if we could get a clarification from the Council, either now or at an early stage in the week, as to whether it has made up its mind without waiting for Parliament's opinion or whether it is still open to receiving our opinion before it takes that decision.

President. — Mr Pearce, I can only repeat what I read out as being part of the letter from the Council. The Council expects us to decide by 8 July at the latest, and if we do not the Council will go ahead unilaterally. That is what the letter says; that is all the information I have officially received and I have to abide by that. I would not ask any questions of the Council at this stage, because the official letter from Mr Lautenschlager is quite clear and the date has not been bypassed by Parliament so far.

(Parliament adopted the agenda thus amended)

3. Deadline for tabling amendments

President. — I propose that 8 p.m. this evening be fixed as the deadline for tabling amendments to the following reports:

Mr Simmønet	(Doc. 1-434/83)
Mr C. Jackson	(Doc. 1-475/83)
Mrs Desouches	(Doc. 1-473/83)
Mr Hord	(Doc. 1-471/83)
Mrs Boserup	(Doc. 1-446/83)
Mr Gatto	(Doc. 1-388/83)
Miss Hooper	(Doc. 1-476/83)

I also propose to fix the deadline for amendments to the Bonaccini report (Doc. 1-474/83) at 10 a.m. tomorrow and the deadline for amendments to any item adopted for urgent debate by Parliament tomorrow morning at 12 midday on Wednesday.¹

Mr Berkhouwer (L). — *(NL)* As an obedient Member of your Assembly, I take note of your announcement that amendments to the Hooper report may be tabled until 8 p.m. today, but I must ask if there is a Hooper report. I simply do not know.

Mr Muntingh (S). — *(NL)* Mr President, I have the report in front of me, and it is written in very good Dutch, so even Mr Berkhouwer can read it.

¹ Speaking time — Setting-up of a committee of inquiry: See Minutes.

4. Welcome

President. — I have great pleasure in informing the House of the presence of Mr Carlot, President of the Parliament of Vanuatu, who is on a two-day visit to the European Parliament. I welcome him to the House and hope that his visit will help to strengthen the special bonds which link the Republic of Vanuatu, the ACP States and the European Parliament within the Lome Convention.

(Applause)

5. Actions taken on the opinions of Parliament

President. — The next item is the statement by the Commission of the European Communities on action taken on the opinions and resolutions of the European Parliament.²

Mr Beazley (ED). — Mr President, as rapporteur for Parliament on the renewal of Regulation 67/67, I am very disappointed to see no comment in the Commission's statement on the action it has taken on parliamentary opinions in that regard. Secondly, I am very pleased to see that Commissioner Andriessen is present with us today. As he will know from the verbatim report of proceedings our debate of 10 June, we were disappointed (a) that he could not be present then and (b) that this House got no satisfactory replies to the questions it raised in the debate.

To be succinct, I would like to know whether Commissioner Andriessen is willing to make a statement or whether he will advise us in some other way of his opinion on that debate. Secondly, I would like to know when the printed version of the new Regulations will, in fact, be available. As we are all away from home, we are not likely to get them this week unless he could make special arrangements that we should see them here. I would like to believe that we could see them tomorrow, because this is a matter which, firstly, is of prime importance to this House from an institutional point of view and, secondly, has most important implications for the trade and the general public.

Mr Andriessen, Member of the Commission. — *(NL)* The answer to the first question is simple. The resolution Parliament adopted on the renewal of Regulation 67/67 comes into the area of Parliament's own initiatives and, in line with the agreements between the Commission and Parliament on the subjects which may be discussed under this item of the agenda, it is not therefore covered by our report. If requested, I am, of course, quite prepared, in compliance with the agreement, to inform the parliamentary committee fully on the Commission's position on this resolution.

² See Annex II.

Andriessen

I will say, however, that the Commission has very largely taken account of the requests made by Parliament.

Secondly, Mr President, I too was unhappy that I was unable to be here on the Commission's behalf when Parliament discussed this matter. But Parliament is aware of the difficulties connected with the presence of the members of the Commission, particularly on Fridays. All the more reason for me to say, Mr President, that I would very much appreciate the opportunity of exchanging views on this subject in the parliamentary committee.

The third question was: when will the final versions be available? Now that the Commission has taken a decision, all that remains is to deal with the technical aspects, by which I mean translation and that kind of thing. I had assumed that the texts would be available by now. I will see what progress has been made and inform Mr Beazley personally.

Mr M. Martin (COM). — (*FR*) At the last part-session, Parliament adopted a resolution approving the Commission's proposal for the implementation of an experimental programme on transport infrastructures. While recognizing the limited dimension of such a programme Parliament nevertheless felt it could play a role in the fight against unemployment. However, to judge from the outcome of the latest meeting of the Council of Transport Ministers, it would appear that obstacles still remain with regard to the adoption of the proposal. Could the Commission state whether, in view of the difficulties which came to the fore at that Council meeting, and taking account of Parliament's request to the Commission to continue its examination of the maximum number of complementary projects, it envisages a possibility of persuading the Council to take a rapid decision in favour of adoption of the proposal?

Mr Andriessen. — (*NL*) As regards the Commission's part in this matter, it is clear that it has done what it had to do in an attempt, if I may put it this way, to put better ideas into the Council's head. I can say that the Commission, with the backing of Parliament's opinion, will continue its efforts to persuade the Council to take the decision we want it to take. I cannot, of course, yet say whether the Commission will succeed in these efforts.

Mr de Ferranti (ED). — Could I ask the Commissioner for some clarification about item 8, that is, the statistical procedure and what is called 'the single administrative document'? I would remind the House that this is one of the more important requirements for simplifying the procedures for getting lorries across the frontiers of the Community. He says it is to be sent to the Council early in July. This presumably means that it went to the internal market Council the

week before last, which was such a catastrophic failure in that they were unable to come to any conclusions at all.

Could I just ask the Commissioner, therefore, whether he is certain that the Greek presidency will be coming back to this question and that they will be continuing to urge a decision on it? Could I also say to him that many Members of this House who on the whole blame the Council for lack of decision-taking in this area might begin to question whether or not it is the competence of the Commission that is at fault.

Mr Andriessen. — (*NL*) As Parliament knows, the Commission agrees almost entirely with what Parliament has said on this matter, and it has forwarded these amended texts to the Council secretariat. I can assure Parliament that the Commission will do its best to ensure that progress is also made under the Greek Presidency.

Mr Wurtz (COM). — (*FR*) Commissioner Andriessen, as you know, this House debated the issue of the transport of the dioxin containers from Seveso — a subject to which you have just referred — at our last part-session, at the end of which we adopted a resolution calling on the Commission and the Council to enact a strict regulation governing the transport of dangerous products. I would like to know what action the Commission has taken and, more importantly, what action it envisages taking, in the wake of the initial exchange of views which took place in the Council of Environment Ministers, with a view to a rapid and positive decision on the problem by the Council.

President. — Mr Wurtz, I think that, in principle, your question falls outside the framework of the agreement with the Commission on the nature of this debate.

Mr Andriessen. — (*NL*) Given the nature of the agreements, I am unable to give a specific answer to the honourable Member's question, because I am not at the moment fully aware of what the Commission is doing in this matter. What I will say is that, like Parliament, the Commission is convinced of the political urgency of this question and that my colleague, who is more specifically responsible for this area, is prepared to exchange views with the parliamentary committee in the very near future on the part which the Commission can play.

Mr Hord (ED). — Concerning the report from the Commission on the Dalsass report and the proposed ethyl alcohol regulations, could I ask the Commissioner that in the Commission's adoption of the amendments of Parliament he will ensure full and proper protection for grain and industrial alcohol producers. I would like him to confirm this because this is increasingly becoming a very serious issue.

Hord

Secondly, in view of the fact that the Parliament has adopted a price basis for molasses alcohol which will lead to a very substantial increase in the cost of the alcohol to the Community if this regulation is adopted, will the Commission revise its estimates of the cost of a proposed ethyl alcohol regulation based on the amendments as adopted by Parliament last session.

Mr Andriessen. — (NL) To the honourable Member's first question, in which, if I understand him correctly, and this is a complicated matter, he calls on the Commission to prevent any unfair distinctions being made between the various systems governing the various types of alcohol, I am able to give a positive answer.

To be honest, I cannot answer his second question. I do not at the moment have the information I need to give an answer. I hope the honorable Member and Parliament will agree to my answering this question in writing.

Mr Eisma (NI). — (NL) What I have to say is of a more general nature. We did not see the Commission's communication until we arrived here, on Monday evening. In my opinion, that is too late for us to exercise the control expected of us, and I would therefore like to ask the Commission — together with the enlarged Bureau — to look into the possibility of documents being forwarded earlier, to reach us at least a few days before the part-session, in other words, before the weekend that precedes the part-session. My question to the Commission is whether it is possible for these documents to be made available slightly earlier, so that we may exercise our control better.

Mr Andriessen. — (NL) I would like it to be possible for Parliament to be informed earlier, but in a satisfactory manner, of the action the Commission has taken on its opinions. But I must point out that the time between the end of one part-session and the beginning of the next is very limited usually three weeks. If you consider the time required for (a) digesting points of view, (b) getting them down in writing and (c) translating them into the necessary languages, I believe it is technically and administratively almost impossible to bring the deadline forward appreciably. That is also the reason, Mr President, why we have agreed with Parliament's Bureau to do things as we are doing them now. In the very limited time we have, at least as regards information on the last part-session, I cannot therefore promise to provide information any sooner than we have done, but I can assure the honorable Member that every effort will be made to forward the communication earlier if it can be done without its quality being impaired.

Mr Herman (PPE). — (FR) When this House adopted the Vredeling proposal for a directive, the Commission stated, at the time, that it would take account of our amendments but that, in the event of

new consultations taking place, particularly between the representatives of management and labour, it would take account of Parliament's opinion and would, in addition, consult the House once more in the event of the revised text being substantially different from the original.

The renewed consultations between the representatives of management and labour resulted in some substantial amendments, of which Parliament was kept in the dark. I should like to ask the Commission when it intends to consult Parliament?

President. — Mr Herman, we discussed the problem of contact between the Commission and Parliament on the implementation of Parliament's resolution on the Vredeling directive, or on the amendments to that directive, this morning in the enlarged Bureau. It was agreed that, with Parliament's consent, a preliminary discussion would take place during the urgent debate on Thursday and that the substance of the matter would be discussed at the September part-session. Moreover, this question falls outside the context of 'action taken' which, in principle, is limited to two months.

I also feel that the matter is too important to be dealt with now. That is what you are doing by putting a question to the Commission, but you are entitled to comment on the Commission's answer. A satisfactory parliamentary procedure must therefore be found.

Mr Beazley (ED). — Mr President, would it not be more sensible for us to have a statement from the Commissioner concerned *before* we have an urgent debate? If we were to have an urgent debate, is there any indication that opinions will be formed which differ from the ones that have been already put forward, and do we know what the Commission concerned might thereby say. I personally believe there are a number of Members of this House who would prefer to have the Commissioner's statement first.

President. — Mr Beazley, it is possible to arrange an urgent debate in such a way that it starts with a statement by a Member of the Commission who is directly responsible for this affair. That is one of the possibilities envisaged for Thursday.

Mr Pearce (ED). — I am glad that the Commissioner responsible for competition matters has indicated that the Commission has accepted most of Parliament's resolution on Regulation 67/67. That is the one about breweries and so forth. But I would like to say to him as Commissioner for relations with Parliament that this was a low point in relations between Parliament and the Commission. We had a situation where the Commission had not finalized the proposals it was going to make even up to two or three weeks before putting them into force. It was constantly changing its mind on text after text.

Pearce

Parliament tried to exercise its democratic right, if not its legal right, to test what the Commission was doing, recognizing that the Commission has some powers to act separately — powers which in my view it should never have been given. Then we had the debate. Most unfortunately, the competent Commissioner was not there. We heard another Commissioner read out a speech which in no way touched the points made by Members of this House. It was, indeed, I thought, rather insulting to the House, the way the thing was handled by the Commission.

Now we have a situation where something — I know not what — has come into force. I am supposed to go back to my constituents who are deeply affected by this matter. What am I supposed to say to them? That the Commission does not know what it has implemented? That it does not know what the law is that it has decided upon; am I supposed to say that? Am I supposed to say that the Commission does know what it is doing, but I am not allowed to know? What does that do for the dignity of Parliament?

Therefore, I would like to put to the Commissioner two particular points and hope he can respond more strongly than he did before.

First of all, will he undertake to enter into a dialogue with you, Mr President, to see that this situation does not ever happen again, particularly as regards own initiative reports which affect legislation which is already going through — this is not quite the normal circumstance — so that in future we have a more civilized and a better-informed debate.

Secondly, can he not guarantee to give us some information this week in this House. All he said was that he would look into it. I would invite him to promise to give us information this week as to what the Commission has in fact done, and any comments upon that which he wishes to make.

Mr Andriessen. — (NL) As I have said, under the agreements that have been reached, this matter cannot be discussed under this item of the agenda. But as such serious criticism has been voiced, I should like to make a few comments on what the honourable Member has said.

Firstly, Mr President, the Commission has no control over this Parliament's agenda. It is for Parliament to decide on what days subjects are discussed, and if this Parliament decides that a subject to which the honourable Member obviously attaches a great deal of importance will be taken at a time when everyone knows, Mr President, that only two members of the Commission will be present, that is a conscious decision taken by this Parliament, which was aware from the outset that the Commissioner primarily responsible would not be present. I therefore find it difficult to accept the honourable Member's criticism in this respect.

Secondly, Mr President, powers relating to the law on competition were bestowed on the Commission in the past after Parliament's views had been heard. In the exercise of these powers, the Commission has in no way overstepped the line. On the contrary, it has informed Parliament of what it was doing, without formally consulting Parliament, for which there is no provision in such matters. And the Commission intends to hold on to the powers it has been granted. This does not mean that it has been unwilling to inform Parliament or to exchange views with Parliament. I have just said that I am prepared to continue the exchange of views with Parliament.

Thirdly, Mr President, I did not say that I am not prepared to provide information. As I have just said, I do not know precisely what technical process is involved in the distribution of this regulation, whether the text is available in all the languages or whether it has been published in the Official Journal. I assume that it has. I also said that I will do my best to inform Parliament fully on the matter this week. I believe that I have thus done what can be expected of the Commission in a matter which, Mr President, if I may say so, falls exclusively within the Commission's terms of reference, even though the Commission, in the exercise of these powers, willingly takes special account, and indeed has done so in this case, of what Parliament has said.

President. — I realize that the question falls outside of the agreed procedure, but in view of what was said, I felt I should give you the floor to settle a number of points.

Mr Turner (ED). — Mr President, could I ask the Commissioner whether the comments in paragraph 4 of the Van Hemeldonck report on cross-frontier transport of dangerous waste — where he says that the Commission has adopted a draft proposal based to a large extent on what Parliament proposed — included the very important point of the uniform marking of vehicles in the manner annexed by the Parliament's amendments to the proposed directive which required the use of the Hazchem, Kemler and the UN codes in conjunction?

IN THE CHAIR : MR PFLIMLIN

Vice-President

Mr Andriessen. — (NL) From a quick look at my notes, Mr President, that seems to be the case, but I would ask you to await verification so that we may avoid any misunderstanding. I will give Parliament further details later.

Mr Beazley (ED). — Mr President, I am sure the House does not want us to take this matter of Regulation 67/67 much further, but I would just like to

Beazley

make two quick points. Firstly, I would take up Mr Andriessen's point about the timing of the debate. We totally agree with him. We did, in fact, ask the enlarged Bureau to see that it was scheduled at a better time. I did make two proposals during the part-session that we should get a time that was suitable, and we got the very last position on Friday. Therefore I was a bit shocked today to see that the Chair was willing to change the time of another debate, when this debate on Regulation 67/67 is of such institutional importance to this House.

The second point I would like to make is that as rapporteur I would very much like to accept what Mr Andriessen said about being willing to give us as full an answer as possible on the new regulations that will be put forward. It was unfortunate that he was not able to do so before, and I readily accept that. I do feel, however, that it would be helpful if we could have that answer this week and that the institutional matter with which we have been so concerned should be dealt with. We do appreciate that we have no formal position on this. We have attempted to set up a good partnership with the Commission on this and I think we have done so, but we would very much like to know whether in future we may proceed more formally than in the past.

Mr Andriessen. — (NL) I am, of course, grateful to Mr Beazley for what he has just said. I believe that the question of how we proceed in matters of this kind in the future is not something we can discuss to any real purpose at the moment. I have repeatedly stated my position in the parliamentary committee responsible. I am, of course, open to discussion on how cooperation between Parliament and the Commission and more specifically between the parliamentary committee and the Commission can be optimized within the existing framework, so that Parliament can make a contribution which is in the interests of the matter in hand and which the Commission also considers useful.

Mr Vié (DEP). — (FR) I should like to comment on the action taken by the Commission on the Cassanmagnago-Cerretti report on family problems.

I am somewhat surprised, even shocked, by the Commission's answer, although it is given in very friendly and quite diplomatic terms. The Commission has stated that the only possible place for this report is the waste paper basket. I find the Commission document somewhat thin. It bases its answer on two points:

Firstly, family matters are the domain of the individual Member States. We subscribe to this, but the ultimate object of the Cassanmagnago-Cerretti report, as adopted by this House, was Community harmoniza-

tion of family policy. The notions associated with family policy are quite distinct from those having to do with the rights of the family, family civil law which, I am quite prepared to admit, are the domain of the individual Member States.

The second argument advanced by the Commission to the effect that, in the absence of a budget for such a policy, no action is possible, appears equally thin to me as the report in question envisaged a programme of action for the period 1983-1988. I have a personal stake in this report, for it was drawn up on the basis of a proposal for a resolution which I tabled. If I am therefore asked to believe that the Commission does not have the power to forecast the budgetary resources it will need to finance the implementation of policies it considers desirable, I have to ask myself if there is not a dialogue of the deaf here.

To resume, I would like to ask two questions. How does the Commission justify its total rejection of the possibility of a study of Community harmonization of family policy? Is not its contention that it is impossible from a budgetary point of view no more than the reflection of a total disinterest on the part of the Commission with regard to problems which concern the very life of our Community? We agree that it is an economic Community but what is the point of constructing an Economic Community if it is ultimately uninhabited or if it has insufficient inhabitants? Indeed one part of the report in question highlighted the vitality of the Community as a family, a demographic entity and the élan which is a prerequisite for a successful construction of our Community.

President. — Commissioner, since it concerns an own-initiative report the reply should normally be given to the Parliamentary committee. However, do you feel that you can or must give an answer at this time?

Mr Andriessen. — (NL) As you rightly point out, this is a resolution that was adopted by Parliament on its own initiative. Much though I regret this and much as I agree with the honourable Member that this is an important subject, I am at present unable to answer his question, simply because I did not foresee the possibility of its being put. Unfortunately, I must therefore decline to answer the question, but I shall, of course, ask the Commissioner responsible to do the best he can as soon as possible.

Mr. President, with your permission, I should like to point out after the debate we have had this morning on this item of the agenda, that not so long ago we reached agreements with the Bureau and the chairmen of all the committees on the way in which this item of the agenda should be handled in the future. To enable the Commission to make the best possible preparations and to ensure the best possible

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communication between the Commission and Parliament, I would appreciate it if in future it could be assumed that these agreements were still in force and if preparations for this item on the agenda could be made in accordance with these agreements.

President. — Perhaps you have noted that you were not in fact required to answer today. I think that is all that needs to be said

Mr Hutton (ED). — May I draw the Commissioner's attention to Item 3, the report by Mr Pöttering on the non-quota section of the Regional Fund, and say how pleased I am that the Commission is now preparing an amended version of its proposals? Is the Commissioner able to tell me which sections of that proposal are going to be amended? Can he say if the amendments affect the proposals for the textile areas? Can he say what those amendments might be, and can he say what 'forthwith' means? The document does say that the amended proposals are to be sent to the Council forthwith and that the European Parliament will be kept informed. Can he say when the Parliament will know what the amendments contain?

Mr Giolitti, Member of the Commission. — (IT) I can assure the Honourable Member that the Commission is indeed preparing the text of the proposal, taking into account the amendments drawn up by Parliament. Concerning what was said in plenary session during the debate on the Pöttering report, I am unable to provide technical details about the proportion of 'non-quota' measures related to the crisis in the textile industry; this proportion, however, will certainly receive the same sort of consideration as the other parts of the Commission's proposals and Parliament's proposed amendments. Finally, I can assure you that the information requested will certainly be transmitted in full to Parliament as soon as it is available.

Mr Prag (ED). — I am not sure that this is a question or that the Commission will be able to answer it, but it seems to me absolutely fundamental to this session which we have with the Commission.

The first section of the Commission's document lists Commission proposals to which Parliament has proposed amendments that the Commission has accepted 'in whole or in part'. Now, Mr Turner a moment ago asked legitimately for an indication of what on a certain item the Commission had accepted and what it had not accepted. If we look at the Commission's replies, we find that on Item 1 it says, 'This incorporates the amendments Parliament adopted concerning Paragraph 2 of Annex A to the proposal for a Council decision'. The next one says 'This version will incorporate the amendments concerning Paragraph 1 of the Annex to the proposal

for a Council decision adopting an EEC research programme'. And then, on Item 4, we find: 'The amendments based to a large extent, on those requested by the European Parliament were sent that day to the Council'.

That is surely no way to treat a Parliament. We get this document on our desks when we arrive, and we have no way of finding out what on earth the document is referring to or what it is talking about. That really will not do, Mr President. The Commission is getting away with murder, and, what is much worse, we are allowing it.

The Commission must surely give an exact indication of what it has done, not just say, 'the amendments based to a large extent on those requested by the Parliament'. That is meaningless. We cannot surely say that we are carrying out our supervisory and advisory rôle if that is the sort of indication on which we base our opinions. We must have, I submit, Mr President, an exact indication of what the Commission has accepted and put to the Council of Ministers and not numbers of paragraphs that mean absolutely nothing to us when we have no time to check in the document what it is all about.

Mr Andriessen. — (NL) With all due respect, I would point out to the honourable Member that this document cannot, of course, take the place of this Parliament's acts. In other words, the information contained in this document is based on the debates that have taken place in this Parliament. If Parliament were to ask us to forward for the part-session each month a complete list of all the amendments which have been discussed and accepted by the Commission, I would have to ask that this item of the agenda concern not the last part-session or the last but one but the one before that. And then I would be in a great deal of trouble with Mr Eisma: he has just asked for documents to be forwarded a little earlier, please.

Mr President, it would not work. I am not saying that every sentence in this document fully satisfies the requirement that information be complete. I am not saying that, but I will say that I am prepared to see how far we can provide precise information to supplement that given to honourable Members on the Commission's behalf during a parliamentary debate. I am prepared to do that. I am not prepared, Mr President, nor do I think that is what Parliament wants, to turn this document into a catalogue of all the amendments that have been proposed or of the views already expressed by the Commission during the debate in this Parliament. The Commission assumes that they are known, and rightly so, I believe, but where information that was not provided during the debate needs to be given, where the Commission has not expressed an opinion, I am prepared to see how the contents of this document can be improved.

6. *Votes*¹SECOND PROUT REPORT (DOC. 1-1180/82
'CONSUMER CREDIT')

Mr Andriessen, *Member of the Commission*. — (NL) Mr President, as my colleague Mr Narjes said during the last part-session, the Commission found it difficult to agree to an amendment to Article 1(2) (d), which would make it necessary for the Commission to decide on a uniform method for the calculation of the annual percentage compensation for consumer credit transactions. The Commission felt that this should be a directive and not a decision. As Parliament knows, this problem has now been discussed by the Legal Affairs Committee and, I am happy to say, it has found a solution. I understand that the Legal Affairs Committee might agree to an amendment in which the form of the instrument to be used by the Commission for this purpose is not described as a decision but as a directive. However, I have the greatest sympathy for the fear expressed by the rapporteur and a number of other Members that a directive may not go into sufficient detail to ensure the intended uniformity, and I should therefore like to take this opportunity to say that the Commission will draw up a directive that is precise enough to ensure that a uniform method of calculation is adopted.

I should like to add a second assurance. Members of the Legal Affairs Committee have pointed out how important it is for the uniform method to be introduced at the same time as the Member States give effect to the directive itself. Mr President, the Commission will ensure that this timing is observed. The first meeting of government experts to discuss the uniform method of calculation was held in June. So we have already made a start on this. The Commission will amend the text of the directive to read that the implementing measures will include provisions requiring annual percentage compensation to be calculated by the uniform method. This will strengthen the link between the implementation of the directive itself and the decision establishing the uniform method of calculation.

Mr Turner (ED). — May I speak on behalf of the rapporteur who is on active service simply to say that I am sure he would very much welcome what the Commissioner has said, which reflects exactly what happened in the Legal Affairs Committee, and in those circumstances he would be entirely satisfied with the position the Commission has taken up.

7. *Disaster-stricken regions*

President. — The next item is the report (Doc. 1-387/83) by Mr Cecovini, on behalf of the

Committee on Regional Policy and Regional Planning, on medium and long-term aid to disaster-stricken regions.

Mr Cecovini (L), *rapporteur*. — (IT) Mr President, ladies and gentlemen, the resolution before the House sets out the conclusions of the Committee on Regional Policy which, at its own request was authorized to draw up a report on long and medium-term aid to disaster-stricken regions. The report was drawn up in response to numerous requests from various Members concerning particular disasters in the Member States. Community aid has been and continues to be granted in these cases, but not on the basis of any coordinated programme or predetermined general criteria. The problem of disasters is of great concern throughout Europe. Because of the wide variety of morphological structures Europe is particularly vulnerable to natural and man-made disasters. Our Community includes mountain regions, volcanic areas, and areas subject to earthquakes; there are zones exposed to damage by the sea or periodically threatened by drought and fire; there are large and fragile wooded areas whose conditions is deteriorating. Community action in these cases is primarily motivated by human and social solidarity, but it is fully in line with the general policy of convergence between rich and poor regions.

Although depressed regions are likely to suffer more from the consequences of a disaster than richer regions, since the means of prevention and reconstruction are not as readily available, a serious disaster can reduce even the most prosperous regions to the status of depressed areas. Action taken simply out of solidarity is usually emergency action which is not based on a thorough analysis of the situation and therefore does little or nothing to prevent these consequences.

The Committee on Regional Policy and Regional planning has therefore undertaken a study of the long-term after effects of these disasters. It has examined the question of medium and long-term measures and reconstruction. It is proposing that they should, as far as possible, be organized on a national basis bearing in mind that the most immediate measures are being dealt with by the Committee on the Environment in Mr Bombard's report.

We naturally hope that parallel coordination and standardization of existing civil protection in the Member States be set up so that in the event of disaster such services can be mobilized on the European level and, paid for at least in part by the European Community and not left entirely to the various initiatives of the individual States. These initiatives, though praiseworthy and often more timely, can in practice lead to duplicated and overlapping measures and consequently to greater expense. Standardization is no small matter, and it cannot be given a marginal treatment, but we hope that it will soon be introduced and handled on a parallel basis.

¹ See Annex I.

Cecovini

As I said, this report and the motion for a resolution are only concerned with medium and long-term measures for reconstruction which would benefit from a longer period of analysis and planning.

It is suggested in the resolution that consideration be given only to disasters that cannot be successfully tackled by the unaided efforts of the region or country affected; that is, disasters caused by exceptional events and resulting in extensive damage.

The report also urges that a minimum level of damage be fixed below which Community action should not be envisaged.

For the purpose of establishing the amount of damage and the exceptional nature of the event, we propose a model form to assist members of the investigation and control bodies to organize their work within the framework of the Commission's existing structures, to analyse and catalogue each case, evaluate its gravity, and estimate the funds to be used once it has been decided that action is justified.

In cases of man-made disasters, provision has also been made covering the right and the obligation to seek redress from those responsible, and for the right to compensation in the case of events covered by insurance. We support the principle already generally accepted in Community law that Community intervention should be additional to national aid and granted at the request of or through national authorities.

Provision has been made, however, for the possibility of exceptionally serious disasters or those involving more than one Member State. Under such conditions it might be desirable to provide for direct Community intervention on the basis of fundamental principles of human and Community solidarity.

The proposal calls for the mobilization of all existing Community instruments to aid regions stricken by disaster and qualifying for Community aid. When possible, however, it is better to use integrated development programmes, in order to ensure that the concentration and coordination of national and Community measures produce the most effective result.

Within the context of the integrated operations considerable use could be made of the specific measures included under budget line 5411: measures which, in their present form, enable the Community to deal with a wide variety of very serious and urgent problems which cannot be dealt with by means of the existing EEC financial instruments.

The Committee on Regional Policy and Regional Planning believes that its report, to which no amendments were suggested, makes a substantial contribution towards the solution of a long-standing and pressing problem affecting the Community. This problem involves not only solidarity among its peoples but also the fundamental need to eliminate,

or at least reduce, the causes of disparity between rich and poor regions.

Mrs Fullet (S). — *(FR)* Mr President, ladies and gentlemen, I would like to begin by thanking our rapporteur for having been so eminently successful in conveying Parliament's preoccupation with the effects of natural and man-made disasters on the social, economic and ecological environment of the regions affected. This is a topical issue, as most Member States have taken exceptional measures this year with a view to protecting their territories in the wake of particularly devastating floods.

Community financial resources in this field are particularly scarce and in no way meet the actual needs. Although Article 690 of the general budget provides for emergency financial aid to the victims of such disasters, there is no provision for extending such aid to cover the reconstruction of the disaster-stricken regions. Although budgetary item 6910 and budget line 692 represent a tentative approach to the problem now under consideration, they only apply to a very restricted geographical area and, furthermore, only to earthquake-stricken regions. It is essential to establish a framework for enabling disaster-stricken populations and regions to receive Community aid.

In this respect we believe that certain criteria should be laid down for Community aid in the case of disasters. The conditions put forward by Mr Cecovini are a prerequisite for a reasonable and impartial evaluation of the extent of the damage, whether natural or man-made. It goes without saying that Community aid, channelled through the various Community financial bodies, must be complementary to aid provided at the national level, and must be subject to tight control.

The motion for a resolution in the Cecovini report was adopted unanimously by the Committee on Regional Policy and Regional Planning. I feel the vote in this part-session ought equally to reflect an awareness of Community solidarity. Furthermore it would be useful to provide structural measures for the prevention of natural disasters within the framework of Community regional policy. Our committee has already received a report on flood prevention in Europe, but that is not enough. We should also consider other means of prevention which the new techniques available in the Community place at our disposal.

Mr Kazazis (PPE). — *(GR)* Mr President, despite the fact that the report we are debating is limited to medium and long-term Community interventions on behalf of disaster-stricken regions — a report which, I should say from the start, the group I represent will vote for it — I think it is absolutely necessary to stress the special importance, in general, of immediate intervention in such regions. This is really a unique oppor-

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tunity for the Community to show its solidarity towards the populations living under exceptionally difficult conditions. In any case, we should not underestimate the psychological factors involved in such acts or omissions.

Unfortunately, Mr President, such regions are continually being struck by disasters, so that the need to provide for resources and to organize the necessary interventions has become a matter of urgency. Since the 6 million ECU provided under Article 690 is quite inadequate the criteria used by the Commission for allocating these funds are naturally obscure.

Moreover, no provision has been made in the CAP for any Community intervention from EAGGF funds in the case of acts of God or disasters. For this reason I call on the Commission to give serious consideration to this matter, particularly in view of the fact that in the ACP countries there is the Stabex system, which goes some way towards ensuring some compensation for acts of God that result in significant and sudden reductions in incomes from agricultural products covered by Stabex.

In working out its medium-term measures, the Community will have to devote particular attention to the coordination of the financing organs, and to provide for the automatic granting of subsidies of the interest on special loans from the EIB and the NCI as was done in the cases of Italy and Greece. The speed with which these loans were used up shows how important and urgent were the needs that they covered.

The Community will also have to ensure that as much money as possible is earmarked in the ERDF for infrastructural work carried out in areas hit by earthquakes or other disasters. Besides, areas hit by disasters that have caused great damage to the infrastructure will have to be designated as ERDF zones for a certain period of time. When the extent and degree of the damage are particularly great, integrated programmes financed jointly by the Member States and the Community will have to be drawn up.

Finally, Mr President, I should like to put forward a proposal, and make a comment. My proposal relates to the non-quota section of the ERDF. I propose that the application of the non-quota section of the ERDF should be extended, with a parallel extension of the criteria for eligibility, to include much wider areas affected by serious disasters.

Mr Hutton (ED). — Mr President, it is a great pleasure for me to be able to welcome this report from my friend and colleague, Mr Cecovini, and to reassure him that it has the full support of my group. There is no doubt of the awful shock of a disaster to the people afflicted, usually with friends and relatives killed and injured and often homes in ruins. It really does not matter whether it is natural or manmade. It is reasonable for people to hope that their unaffected neighbours will weigh in to help get life back to

normal. I think it is reasonable for us to regard ourselves as the neighbours of people who are overtaken by disaster wherever they are in our Community. The knowledge that people stricken by disaster have the European Community alongside them ought to give an important psychological boost to their efforts to pick themselves up and get themselves back on their feet.

One thing which does worry me though is the tremendous demand on the Community's resources from many sources and I would like to offer one suggestion to the Commissioner in addition to those which Mr Cecovini has so ably expounded here. It is that if the Commission feels that the pressure on the budget is going to be too tight, then at least the Community should be prepared to guarantee whatever work is needed in a disaster. In that way the Community may never need to part with any cash at all but its very presence would have a positive effect on reassuring other financial institutions of the viability of projects in risky areas. This kind of confidence could make all the difference in getting life back to normal for those of our neighbours who find themselves overtaken by disaster through no fault of their own.

Mr Kyrkos (COM). — (GR) Mr President, we shall vote in favour of Mr Cecovini's proposal. I should like to point out the care with which he has marshalled his facts and his attention to detail in preparing both the report and the motion for a resolution itself.

I will mention only two points of concern: first, that it will be difficult to find the economic resources he is calling for, and secondly, that the procedures for granting this medium and long-term aid may well become tangled in bureaucratic formalities and complications. Thus, we shall have to protect the decision we are about to take from both these dangers.

I too would like to draw Parliament's attention to the need for the Commission, or other Community institutions, to acquire the power to grant immediate aid in cases that are generally acknowledged to be special. At such times there is a need to express human solidarity both on the part of those who offer it and those who receive it, quite independently of the wealth or poverty of the disaster-stricken country.

When in Greece two years ago, vast areas were devastated by fire in Ilea and Messinia, how comforted the inhabitants would have been if, side by side with the Greek expressions of solidarity there had been some from the Community. At that time I tabled a resolution which, together with others concerning similar situations in Europe, led to our debate today. In the meantime, however, nothing has been done. It would give me great satisfaction if as a European Parliament we were instrumental in obtaining urgent measures for flood victims in France or Germany, quite independently of the fact that those countries are very well placed to deal with extraordinary situations by themselves.

Kyrkos

My feeling is that although the resolution describes the need for urgent action, it fails to define any specific measures in a clear and categorical way.

Mr President, I believe that the resolution we are debating today can secure the approval of all sides of this House. We should, however, try to make this resolution more than mere lip service to human solidarity, by all the measures required to guarantee its implementation.

Mr Pesmazoglou (NI) — *(GR)* Mr President, the subject under debate this afternoon is of interest to the entire Community and I would like to congratulate the Committee on Regional Policy and Regional Planning, and our colleague, Mr Cecovini, on the valuable document we have before us.

While agreeing with the basic orientation of the report, I should like to emphasize in particular the following points.

The first is that certain regions of the European Community both because of their geographical position and their economic organization, are necessarily more at risk from devastation by natural disasters. Obviously countries, where agricultural production constitutes a high proportion of the total product are necessarily more exposed to natural disasters, and Mr Cecovini is quite right to observe that we must lay down clear criteria for those regions. In addition, we believe that the rules should be generally applicable within the European Community.

My second comment is that we must be able to rely on the solidarity stressed by Mr Cecovini; in other words, there must be a conviction that in the event of any such natural disaster the Community would intervene promptly. The speed of the response is an essential element in this programme, and of the Community's solidarity.

Thirdly, the consequences of a natural disaster are either direct, particularly when the income of a population is affected, or indirect, when it is mainly a question of the destruction of assets. I do not, of course, refer to the loss of human lives, which may be very extensive and very painful for the population of a country. But I want to stress that there may also be damage in terms of incomes. My colleague, Mr Kazazis, referred to the damage caused by flooding to one region of Greece a few years ago. I want to stress that this year approximately one-third of wheat production in Greece has been hit by drought, and this constitutes an immense problem for the country's agricultural population. Thus, we must take into account all the likely categories of natural disaster and ensure that the Community will intervene with a fixed quota. This will inspire confidence among the entire agricultural population of our countries and the conviction that should such a disaster occur, the Community solidarity will be both direct and indirect.

As for the destruction of assets to which I referred earlier, I would like to describe two painful instances that we have lived through in Greece. One is the loss of income from citrus fruits in our country, and the other is the destruction of trees, in other words of plantation assets. I should also like to mention the widescale destruction caused by flooding, which Mr Kazazis spoke about a little while ago.

Mr President, if this solidarity is shown by all 300 million of the Community's citizens, whenever a disaster occurs within the Community, then the overall impact will be greatly diminished. Besides, the moral, humanitarian, political gain for all our peoples will be considerable.

Mr President, I should like to stress how urgent the problem is for some parts of the European Community, and to emphasize to our fellow-Members how acute the problem is for Greece.

Mr Alavanos (COM). — *(GR)* Mr President, it seems that we Greek Members of the European Parliament have rather monopolized today's debate. I do not think that this is happening as a result of the Greek Presidency, but that it expresses precisely the fact that our country is one of those regions in the Community which face this problem in a more acute form. I should like to say that for us at least — and I believe for our other colleagues as well — this matter is in no way an appeal for charity. We think that once the Greek agricultural economy has essentially become the responsibility of the CAP, the CAP, and more broadly the Community as a whole, should accept its responsibilities in regard to vital and, if you will, almost daily problems for the farmers, such as the problem of disasters. From this standpoint not even we disagree with the report and the proposed resolution, namely with the need for some control and for certain criteria where compensation in the event of disasters are concerned. However, we too have reservations about the danger of bureaucratic complications which might result in some countries being able to obtain more money than others, as happens with other sorts of Community payments.

I should like to make three points. The first and second of these I shall not develop because they have been mentioned by the previous speakers. The first is that payments made to compensate for disasters should be increased. Secondly, we need to develop a system of prompt intervention in the event of disasters — and I refer to events not of last year but of this year, i.e. the floods that occurred on 23 June and 3 July 1983 in Greece. Thirdly, the need to lessen the damage, in other words to take certain infrastructural steps that might minimize the consequences of the disaster. To be specific, I refer to the fact that if, in the case of Thessaloniki, land-improvement and anti-

Alavanos

flooding works had been carried out, if anti-hail equipment had been available the effects of the recent flooding would not have been so great.

Mr Giolitti, member of the Commission. — (IT) Mr President, the Commission is closely considering Mr Cecovini's report and the motion for a resolution on medium and long-term aid to disaster-stricken regions. It fully shares the concern and interest shown by the European Parliament in this problem.

Within the limitations imposed by the budget, the Commission has always chosen to intervene financially wherever the consequences of such disasters are particularly serious for the areas affected and for the Community as a whole. However, as the report itself points out, the permanent resources available to the Community are constituted solely by funds for emergency aid. This aid is primarily symbolic; its purpose is to contribute, together with the Member States, towards providing preliminary aid to meet the immediate needs of disaster-stricken populations.

Mr Cecovini's report recommends that the Community establish permanent instruments for the material and economic reconstruction of disaster-stricken areas. It is suggested that all the available Community resources should be mobilized, in particular the structural funds and borrowing and lending instruments.

It would be well to point out here that the Community's financial instruments were established for the specific purposes laid down in the regulations, such as agricultural structural policy, regional policy, etc. Consequently, these instruments possess their own characteristics and purposes which make it virtually impossible to use them for direct and immediate aid for the reconstruction of disaster-stricken areas. Furthermore, the financial resources for meeting these additional aid needs are lacking.

With these remarks I do not mean to say that the Community never provides aid for the reconstruction of disaster-stricken areas. Many examples, including recent ones, demonstrate on the contrary that the Community has not failed to express its solidarity in a practical way through special measures to aid the reconstruction in areas affected by serious disasters. After the earthquake of May 1973, which struck the Friuli-Venezia-Giulia region, certain extraordinary regulations were passed to enable the Community to contribute to the repair of damage caused to the economic and social infrastructures and to the agricultural potential of the afflicted region. In 1979 the cyclones 'David' and 'Frederick' caused serious damage in Martinique and Guadeloupe, two French overseas departments. Since the disaster-stricken regions were essentially agricultural ones, the Community drew up an extraordinary regulation in the context of the Guidance Section of the Agricultural Fund, to provide special aid for the reconstruction of banana plantations and the repair of facilities essential to the growing of crops.

Mr Cecovini's report mentions the principal measures taken by the Community in favour of the regions of Campania and Basilicata devastated by the earthquake of November 1980. These comprised special loans to restore the means of production and rebuild the economic and social infrastructures, as well as in special aid to the tobacco sector, important in those areas particularly hard-hit. Finally, following the earthquake in Greece in February of 1981, the Community once again used the formula of special loans, which experience has shown to be most effective.

These examples serve to demonstrate that in cases of exceptionally serious disasters the Community action has not merely been symbolic but has been concrete and effective, although a specific instrument for dealing with cases of this sort was lacking. It must be recognized, moreover, that such an instrument would be extremely complex, and that it would be very difficult to attempt to define its nature and mode of operation at Community level.

First of all, special Community aid for such purposes has been granted only for damage caused by natural disasters; if it were decided *a priori* to grant such aid to repair man-made damage we would be faced with the delicate and complex problem of assessing the different individual liabilities governed by differing national legislations and covered by a different insurance system.

Another obvious difficulty concerns the practical approach to the entire aid mechanism, which depends upon a case by case analysis of the nature of the damage and upon specific decisions regarding the type and amount of the aid itself. In answer to a specific comment made in the course of this debate by one of the speakers, I will say that certainly the 'non-quota' section of the Regional Fund can be used if the analysis of the type of damage and the nature of the aid shows that the conditions laid down in the current regulation are met. We have proposed modifications to this regulation concerning funding through the 'non-quota' section of the Regional Fund, and action is also possible if the conditions stipulated here are met.

Furthermore, the creation of a Community inspection unit would require a full-time specialized staff, and this is a clearly complex and delicate problem. I do not, however, intend to belittle the significance of the motion for a resolution or Community solidarity as referred to in Mr Cecovini's report. I wish only to point out the practical difficulties which make it advisable to adopt more pragmatic criteria for intervention, criteria which would be more flexible and more easily adapted to individual circumstances. This would be difficult within the framework of a general scheme. The measures currently being applied can certainly be improved on the basis of the important contribution made by the studies and proposals set out in the report and motion for a resolution.

Giolitti

Mr President, in conclusion, allow me to refer to the fact that although it is nearly impossible to predict natural disasters and their calamitous effects, it is both possible and proper, in certain cases, to take preventive measures. During the debate this aspect was correctly stressed. For example, common action in the forestry sector in certain Mediterranean regions of the Community provides for the financing of fire prevention measures. More recently the Commission proposed a general project aimed at strengthening measures for preventing forest fires and acid rain within the Community. The Community also participates in the funding of civil defence facilities.

These examples clearly indicate the direction to be taken to improve measures of prevention. The Community, in collaboration with the Member States, could assume a more active role in this sector in view of the consequences of events like those considered here.

President. — The debate is closed.

Vote ¹8. *European Schools*

President. — The next item is the report (Doc. 1-390/83) by Mr Papapietro, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on the European Schools.

Mr Papapietro (COM), rapporteur. — (IT) Mr President, ladies and gentlemen, this report on the European schools is being presented to the House more than two years after it was authorized. If, as rapporteur, I had not insisted, it would have been postponed again.

Although the other members of the committee, contributed significantly to the elaboration of the report — and for this I thank them — and approved it unanimously, they shared my feeling as rapporteur that it was inadequate. Indeed, a report alone will not change this type of school. Means must be found to make immediate practical changes in a situation which is to a large extent unacceptable.

We spoke to thousands of parents, pupils, teachers and administrators. We are still receiving hundreds of individual and collective replies to the questionnaire we sent to the schools, even though it was not always properly distributed.

The first conclusion which can be drawn is that some schools function reasonably well, particularly the Brussels Uccle Schools, where the relationship between the school's component parts seems to be better inter-related than anywhere else. Other schools have serious problems; some still are decidedly unsatisfactory.

There is the question of administrative methods, of the quality of the teaching staff, of inspectors who do not inspect; there is authoritarianism — which, in certain schools amounts to an almost total absence of democracy; in some cases the staff has been recruited too hastily; sometimes there is an appalling lack of facilities in proportion to the level and difficulty of the tasks.

When these problems are mentioned, the school administrators' only excuse is that the budget is totally inadequate. Let us for a moment look at the nature of these schools. They were established in 1967 for the children of officials of the Community institutions. Today an increasing number of Community officials no longer send their children to these schools, and many others choose them only through necessity, because, for example, for Italians often the only alternative is to return to Italy. The sacrifices involved in such a course of action can easily be imagined. For others, for the British, in particular, the alternatives are the very expensive private schools.

Are the European schools in part a failure, then? I do not believe so. It is true that reform has changed little; enormous problems still exist for children with different nationalities, cultures and languages. There are problems related to the fact that the schools only prepare students for the baccalaureat. There is the problem of the relationship between education in the European schools and the cultural traditions of the various countries; there are problems involving differences in educational systems, in addition to the differences in the civil and cultural environments; there are problems concerning the transition from school to working life. These problems seem to become insuperable when mid-year scholastic transfers are made necessary by the professional mobility of the parents.

Nevertheless, the European schools provide a unique experience and represent the only example anywhere in the world of multi-linguistic and multinational instruction. They are a genuine laboratory for the formation of a European and Community pedagogy, cultural interaction, and ethical and civil environment.

We must not allow this heritage to be lost; we must save these schools! For the problems of the European schools do not stem from growing stagnation but are the result of an internal increase in the number of culturally and structurally complex functions and from the fact that the structure is that of a provisional school for families that do not intend to take up permanent residence.

The contradiction between the internal growth of the schools and their nature as emergency institutions has given rise to these problems. They are not schools which die out from a lack of growth; rather they are 'choking' because their growth is cramped and confined by old structures and regulations. These structures must therefore be enlarged and reformed and the regulations updated.

¹ See Annex I.

Papapietro

Like the Members who were rapporteurs on the same subject during other terms of this Parliament, we are proposing that these schools should become part of a genuine Community educational structure. We believe the time has come to conclude the interesting but limited phase of mere schools for the children of Community officials and experimental pedagogy and move on to a new phase where the positive potential of these schools is fully developed.

They should be opened to all, adequately funded by the governments as well as by the Community, and made more democratic. They should be under the control — in a way which has still to be legally defined — of Parliament and the Commission as well as that of the governments, since, at present, they are intergovernmental schools. A special meeting of the new European Foundation should consider ways and means of linking the pedagogical and cultural experience gained in these schools with the educational systems and cultural experiences of the individual countries of the Community.

This approach will make it easier to solve the problems of the European schools. We are calling for a political decision incorporating this point of view.

In the interim, the report proposes certain modifications which are already possible today. Among other things, it proposes changes in the teaching of the humanities, of history (I know that one group is opposed to this part of my proposal, and we can also accept the amendment this group has presented), of economic and social sciences. We propose the harmonization of systems of recruitment; we ask for measures to ensure the preparation and up-to-date training of teachers for national legislation regarding the number of years teachers are assigned to the European school. We propose, for example, classes of 25 instead of 32 pupils, especially for the learning of the second language, which is one of the areas of greatest difficulty in the schools. The physical facilities should be enlarged, the didactic and scientific material brought up to date, the libraries improved. Methods have been proposed to ensure that parents and pupils will be kept informed and allowed to participate in the life of the school. We propose a re-examination of financing methods, and that Parliament be kept informed on a continuous basis through consultation and collaboration between the competent parliamentary committee and administrative and decision-making bodies of the schools. Finally, we propose that the matter should not be closed by this report. The matter should be kept before the House, so that we can act effectively in favour of these schools. These educational institutions affect the interests of thousands of citizens and, as the resolution states, they can play a greater role in the effort to create a common European spirit.

(Applause)

Mrs Buchan (S). — Mr President, although members of the Socialist Group welcome, in the main, the report of Mr Papapietro, we feel that the moves that we Socialists made in the committee to hold hearings so that pupils, parents and teachers could express their views to us was wrongly defeated in the committee. We believe that such hearings would have given us a very good annex to the report which would spell out in black and white the really worrying situation that exists.

Firstly, let me agree make it clear that we agree that the educational needs of the children of staff in the Parliament and the Commission have to be met. We also agree that these schools would, in general, require considerable funding. We feel equally strongly that such funding should extend to all the schools in the 10 Member States and, in the case of the United Kingdom, this would mean a complete turn around from the situation faced by our pupils, students and teachers throughout Great Britain.

Now if we look at one of the Brussels schools — I was surprised to hear Mr Papapietro say that it was one that he was recommending to us — you will see that the number of children entitled to attend and actually attending has fallen by almost 5 % in three years. Now that figure alone would justify the call for an enquiry into what is going wrong, because it is evident that a very great deal is going wrong. For in any Member State, such a fall in enrolment in a school so well-provided for in money, equipment and staff would certainly ensure a full enquiry. At one point, during the very long and detailed meetings we have had in the Committee. I asked an official if these figures were accurate; whose children in fact attended these schools? I was told, the children of ambassadors, of diplomatic staff and of NATO officials. I do not know about anybody else, but I would certainly have great difficulty in going back to people in Glasgow and telling them that they ought to pay higher taxes to ensure a better provision for people in these categories.

Now this catchment of children inevitably makes these schools more elitist than we would tolerate in the State school systems. Indeed, it is to the credit of the children that many of us met when we went to visit the schools, that they themselves were aware that the elitist nature of these schools cut them off from day-to-day contacts with the communities in which they were placed. They themselves wanted the doors of these schools opened more widely to give a catchment which the average teacher would be more happy with.

However, the elitism that most of us know about and some of us campaign on is not the only form that exists. There is, for example, only a very small section in the entire system that caters for children in need of remedial education and the excuse given to the

Buchan

committe for such a lack were both wide and varied but it is a disgrace that such a lack exists. Providing for such children not only widens the knowledge and experiences of teachers but also goes some way to meet the needs of the children.

I want to look at the amount of money allocated to these schools because again I disagree with Mr Papapietro. The committee made it perfectly clear that if it were a question of money we would have voted for more money. But it was widely agreed that money was not the problem behind the poor performance of these schools. Indeed, I want to draw the Committee's attention to Mr Kellet-Bowman's report of some two years ago calling for some improvements in the way the schools were run financially. Here we have a system that costs the same per pupil as sending a child to one of the really elite schools in the UK. You could send a boy to Eton for just about the same money as it costs to send a child to the European schools. I have no objection to that, I just want the same money spent on individual children within the Member States of the Community.

So we have this fine provision of money, staff and equipment, and yet parents choose not to send their children. We have to ask why? If you ask some of the staff, such as drivers and Irish staff, you find that they send the children in Luxembourg to the Luxembourgish schools and the children speak Luxembourgish. I have nothing against the Luxembourgish language, but it must make it very difficult for them to acquire other languages and indeed to hang on to their own when they take this decision.

We talked in the committee about the problems that children face when they left school. We were really very little wiser as to what anybody knows about the children who go through this system. Many universities will not accept the qualification that is given. We do not know how many, in what Member States, nor in what disciplines refusal was given. Above all else we know next to nothing about how the education given in the European schools fits the pupils for the courses they undertake.

This report, despite its inadequacies, provided the Committee members with many questions. A number of subjects throughout the system were taught 'voluntarily' by parents. What qualifications did these parents have? What happened to the children that wanted to take up in further studies the subjects that were voluntarily taught? We have to ask elected Members here, would they tolerate such a system in the State system in their own country?

We cannot help but compare the situation with what is happening in our own countries. During the recent elections in the United Kingdom, it was announced that a music teacher in England had won an international award for the work he undertook in his own

school and the standard that the children in his care had reached. Even the Tory *Daily Telegraph* had to report that this teacher is still working from a portacabin which is the kind of builder's hut that you see on every building site and that gets towed around from building site to building site. This man's achievement with children had won this international award. The relevant Government Minister, Sir Keith Joseph, wisely decided not to be present when the awards were made. The teacher interviewed by the *Telegraph* said that he had been instructed to slap the Minister across the face with a wet towel if he appeared.

So we Socialists do not object to the money or to the conditions in the European Schools. We simply want the same money and the same provisions made available for the children in our own countries. Therefore, in the interest of the wider educational system, Socialists want particular attention paid to paragraphs 2, 3 and 4 on page 7 of the English text. That is, we call for independent inquiries. By that we mean perhaps to go to one or two universities in one or two of the Member States. We certainly do not want it handed to the Institute in Fiesole or any other institute founded or helped by the Commission or the Council.

We are against the amendments because almost all of them — although we are sympathetic to the reasons why people put down these amendments — are met by the compromise that the report finally is. We stress the 'independence' — I cannot do this often enough to Mr Burke — of this inquiry and hope that he will use his good offices to see that it is set underway. But we give a pledge here to everyone involved, — parents, pupils and former pupils — that Socialists will not lose interest in this problem. No matter what happens to this report, we have a duty to see that the matter is kept before the people and that the taxpayers are entitled to know how their money is spent in the EEC.

Mr Pedini (PPE). — (IT) Mr President, my group congratulates Mr Papapietro on the valuable and interesting results of the work he has carried out with such determination. The European school was founded many years ago now, and it is a valuable part of the life of the Community. It is a question here of improving it, and above all of bringing it into better alignment with the Community as it exists today. It cannot remain an intergovernmental establishment; it must become a Community one.

For this reason, we agree with all of Mr Papapietro's proposals, which aim at a genuine 'Europeanization' of the European school. We also agree that it should be as 'non-elitist' as possible. It is obvious that if it had not been set up for the children of Community officials, many of these officials, for family reasons, would not have come to work for the Community. This need must not be lost sight of.

Pedini

However, once we have gradually increased services and provided more teachers and more classrooms, we will try to open these schools to the citizens of the Community in the broadest sense of the term.

I agree with Mr Papapietro that it would be desirable to reduce class size from 30 to 25 pupils, and I speak here from my own teaching experience. Teaching would be more effective if this were done. I agree that the Board of Directors of these schools should be required to present an annual report to the European Parliament. This report will encourage collaboration. The resolution on which we are about to vote will be the beginning of a joint effort which highlights our desire to continue to monitor the development of the European schools.

I fully support the view that it is necessary to devote particular care to the training of the teaching staff. In this context, the proposal concerning follow-up courses, for whose organization the Commission and the national bodies would be jointly responsible, is more necessary and more timely than ever. We need good teachers. These are already provided by the individual countries, but their teaching should be more European. Obviously, it is also necessary to revise the textbooks in order to remove any pedagogical inadequacies.

I thank Mr Papapietro for the care with which his resolution approaches the problem of teaching the humanities and history. Perhaps these terms have different meanings in our own education systems. We are concerned that history be taught as knowledge of our tradition, of the national identity which each of our peoples possesses and which will enable them to grasp the values shared by our national civilizations, and to accept their responsibilities as future European citizens. We need not only young people with a knowledge of languages, but young people who are able to understand and interpret past and future events in European terms. It is therefore a question of finding the best formula in this regard.

Mr Papapietro, I am concerned with the need to reinforce the inspection system. The college of national inspectors to whom the task of supervision and guidance has been entrusted up to now is a valuable body, but it is out of touch with what is happening in the Community. It must be strengthened; a link must be forged between it and the European Parliament and the other Community institutions. I wish to stress the idea contained in my amendments, namely that one of the reasons for promoting the European school is to be able to use the experience gained there as a means of Europeanizing the attitudes of the national schools. It is necessary therefore that the competent national education ministers be involved in the work of the inspectors so that the educational experiments being carried out in many of our countries can take account of the valuable experience gained in the European school.

This is a summary of the points I wished to make.
(*Applause*)

Mr Edward Kellett-Bowman (ED). — Mr President, I first formally declare an interest in that two of our eight children attend one of the European Schools.

It is quite a pleasure for me to be speaking on an aspect of the European schools other than its budget. Each time I have reported in the past, it has been the implementation of the budget that has been the source of problems. In these schools we have a unique system of education, and I wish to pay credit here to Mr van Houtte, formerly an official of the European Court of Justice who can well claim to be a founder of the European School multilingual and multicultural system.

I wish to congratulate the committee on its initiative in producing this report. I believe that the institutions should keep in touch with each other, and there is a case for keeping in closer touch with the European Schools. With my budgetary control hat on I visited the financial and administration committee of the schools and later a meeting of the governing body. At both of them the meeting had to be adjourned so that, coming from another institution, I could address them. It would be rather strange if, in each of the institutions, we did the same when a visitor from another institution came to see us!

The report is founded on a questionnaire. I think it is a very poor animal, that questionnaire, but a rather remarkable and helpful report has come out of it. Answers are rarely better than the questions, but in this case the answers seem to have been a great improvement on the questions which were put.

I congratulate Mr Papapietro on what is, to my mind, a very good report covering a wide range of points. These points, I think, should be taken on board by the governing body. There is a lot to learn. The questions posed in the report must be answered and answered soon, and the proposed inquiry must be put in hand straight away.

Basically, the schools are founded upon the French system, with some ideas incorporated from other national systems. The main examination to which they all strive is the *Baccalauréat* and as time goes by, the European Schools' *Baccalauréat* may well be shown to be one of the educational attainments for which children will strive vigorously.

An arrangement in the schools which I find rather difficult to accept is that they do not have the Heads of Department system, which makes management of a school somewhat easier. Instead, because of some European — certainly not British — ethic, a headmaster has to have one-to-one relationship with each and every member of his teaching staff. I would have thought that that makes the span of management control very difficult indeed.

Edward Kellett-Bowman

Recently I was privileged to be associated with the inaugural meeting of the counselling centre at the school at Uccle. This, in Amendment No 10, is called for in all schools. The money for this first one at Uccle had to be scratched round and found from all sorts of sources. I believe the school governors should make some part of the budget available for counselling systems — not only educational, cultural and vocational, but also social and psychological for youngsters today need many kinds of help.

Languages, as with us, play an important part in the European Schools, and we find the subject coming up in no less than five paragraphs. This is something we have got to get straight. We have to ensure — and this is why we sent our children there — that growing up in a multilingual environment will make children better fitted to take part in a modern Europe.

Mr President, I commend Mr Papapietro's report to the House.

(Applause)

Mr Alavanos (COM). — *(GR)* Mr Papapietro's report is ample evidence of his genuine interest, his profound pedagogical knowledge, and his good intentions regarding the education of the children of people working in the Community. Nevertheless, as far as the report and proposals of the Committee on Youth, Culture, Education, Information and Sport are concerned, we have a number of genuine reservations which will prevent us from voting in favour of the report.

I shall mention three of them which are, in any case, the most important. First, the position of the Committee on Youth is that, although the European schools exist, they are not attractive and that since this raises the question whether even the children of Community officials will attend them, they must be improved. We feel that this is stating the problem the wrong way around. What is being said, is that the children of other working people should be admitted to the European Schools simply to increase enrolment, ignoring the different but enormous problem of educating the children of migrant workers. We have first hand knowledge of the problem posed by the hundreds of thousands of children of migrant workers living in the Community, at least where Greek children are concerned. We share the fear expressed by our Socialist Group colleague that the interest being shown in the development of Community schools on this basis is simply a cover for an elitist effort involving the children of NATO and EEC officials.

Our second point concerns paragraph 2 of the committee's proposals. The committee states that it is favourable to the substitution of human sciences for the teaching of history and geography. We understand this point of view and the need for pupils to transcend national prejudices, chauvinistic tendencies and

theories. On the other hand, the children of foreigners in the various Community countries attending the European Schools need to be taught the history, geography and language of their own countries. The International Labour Organization has also stated that these three subjects should be compulsory on the grounds that they are necessary as a link with the children's national environment and to enable them to play an active part in the life of their countries of origin, should they ever return to them.

The third point on which we have reservations is that while these schools are currently under intergovernmental control, the committee is proposing that they be placed under the joint control of a supranational body and the European Parliament. It also proposes in paragraph 24 and elsewhere that these schools should be extended, that is that more children should be enrolled in the European schools. This view can be related to the views contained in the Declaration on European Union which sees cooperation as a means of promoting European integration or the European Parliament's position on the teaching of human rights in the Community's schools as set out in Mr Israel's report. Although we realize that the rapporteur does not share these views, we see them as negative features. We firmly believe that educational matters should be the exclusive responsibility of the Member States. This does not, of course, exclude exchanges, experiments, making use of experience etc., but in our opinion this can only be done through intergovernmental machinery and not through supranational bodies.

We shall therefore abstain.

Mrs Pruvot (L). — *(FR)* Mr President, ladies and gentlemen, on behalf of my group and on my own behalf I should like to thank Mr Papapietro for his initiative in taking up in the House the important issue of the European schools, and for the interesting report which is the result of his efforts.

We shall not only vote in favour of the motion for a resolution but we also share the concern which it expresses.

The unique opportunity afforded by such schools in forming European citizens is not fully utilized. This unparalleled system of European education has reached a very critical stage.

Legal, administrative, organizational and financial problems are hindering the attainment of the ultimate goal of providing the formation which will make pupils Europeans with an understanding of their different cultures, languages and customs and who feel at home in Europe.

This explains my group's vigorous insistence — set out in paragraph 6 of the motion for a resolution — that the Commission should present to Parliament by the end of December 1984 a written report analysing

Pruvot

the problems which exist and putting forward practical proposals for reforms. Nevertheless I would like to draw the attention to the House and of the Commission to several matters here and now.

Firstly, is it not extremely illogical that European schools which are financed to a great extent through the Community budget and which are intergovernmental bodies are not subject to any Community control? Therefore our group insists on the immediate implementation of total Community financing subject to the comprehensive Community control which would accrue from such a system.

Secondly we would like to see access to the European schools made available to all Community citizens and not merely to the children of Community officials.

Thirdly European schools should be established in areas outside the places of work of the Community institutions. In other words, every young person should have the possibility of a multicultural and multilingual education. We reject the idea of first-class and second-class Community citizens.

This brings me to the more general question of a Community cultural and educational policy. It is essential that education should guarantee the cultural diversity of the Community.

The European Liberals stress educational as well as cultural pluralism. Does the Community's wealth and power not stem from its cultural diversity? Community educational policy as a whole must strive, not for harmonization, but rather to forge links between the educational policies of the individual Member States. It goes without saying that these general considerations also apply to the European schools. We must avoid the pitfall of simply providing pupils with a hodgepodge education. We must strengthen the ties with Europe, while at the same time avoiding severing the ties with the country of origin and with the national culture, language and schools.

While welcoming the teaching of a second language we feel it would be a mistake to teach it to pupils who are too young to have acquired a solid foundation in their mother tongue.

The positive aspects of European cooperation should be stressed, but we feel it is wrong to idealize European history or to make it an endless recital of national wars.

Fortunately the European Schools' final diploma affords access to all universities throughout the Community, which is a positive aspect. It is however regrettable that such schools, by offering only one type of baccalaureat, force families to separate since some of the children are obliged to return to their country of origin if they cannot assimilate the subjects, a situation exacerbated by the clear lack of special courses for backward pupils and proper study supervision.

Finally, Mr President, we believe that the contribution which the European schools can make towards forming European citizens and, thereby to European unity, is too important to allow us to be discouraged by the current problems. We are looking to the Commission to provide, by the end of 1984 at the latest, a clear analysis of the problems together with realistic proposals which will enable Parliament as the directly elected representative of the people to draw up a report which will help to provide the kind of education which will one day make our young people Europeans.

Mr Bøgh (CDI). — (DA) Mr President, one of the costs of multinational organizations is that a number of children, because of their parents' work, are uprooted from their normal environment. Obviously the European Schools whose job is to provide such children with a substitute for natural schooling in their home countries, have immense educational problems to contend with, and they will always attract criticism. On the other hand, it is not obvious that these problems should be solved by making the schools take on more than is needed to put right the things that are going wrong at present.

To begin with, the present report demands that European Schools be set up in all Community Member States, irrespective of whether there are large Community staffs and hence a large number of foreign schoolchildren; secondly, that the schools should be open to children who do not belong to families from other Community countries; thirdly, that preparation should be given for all school-leaving examinations in the countries of the Community; and, last but not least, that they should educate the children in a European ideology. The justification for this gigantic — quantitative and qualitative — extension of the present arrangements, according to the report, is as follows:

This education system, its role as an innovator and the experience it offers have now reached a critical point. Unless there is a leap forward aimed at improving the quality and role of the schools, the complex problems with which they are dogged may become even more complicated and drain their vitality.

A peculiar thing about the Community is that, if things are not developing, they are disintegrating. I do not understand this. Would it not be more sensible to concentrate our forces on the problem which is before us, which we have clearly not been able to solve satisfactorily, which is natural, as I have said? Why does everything in the Community suffer from this mania for development, growth and expansion? Why should the most mundane and concrete tasks be given an ideological superstructure? Why should day-to-day functions, such as that of giving children a natural

Bøgh

upbringing and education, be turned into a messianic mission of European union? Why does culture always have to be used for some purpose, instead of allowing it simply to be itself?

In fact the European family still includes a country in which much thought and work has been devoted to the education of children and pedagogical problems, and it would perhaps have been appropriate to take this work into account, if it was the intention to set up something European at all costs. I am thinking of my own country, Denmark. We have a pedagogical tradition in Denmark of making the school seek its starting point in the child's interests, the child's perceptive ability, the child's world in general and in avoiding the imposition on children of ideological or institutional objectives by society. In other words, the opposite of what this report takes as its starting point. We do not think that culture is something that can be fabricated in the way this document assumes. We think that culture springs from the environment into which an individual is born. We think that culture has its perspective in something which is universal. For us it is an impertinence to attempt to eradicate the culture to which a person is born, and it is an even greater impertinence to relegate the perspective of culture to something European, i.e. something which calls itself European, but only consists of ten European countries.

Mr President, times of austerity are sometimes a great boon. They do not of course set limits to all the fantastic projects which can be thought up, but they do set limits to those which can be granted funds. I am fairly certain that this project is one of those which the ordinary taxpayer in the Member States at a time of austerity will find it unreasonable to pay for.

Mr Eisma (NI). — *(NL)* Mr President, the Commission should have more seats on the Board of Governors of the European schools to give it a greater say in their policy. The European Parliament has the budgetary instruments with which to exert its influence. Mr Papapietro's excellent report makes many requests, which would cost more money, and I am therefore afraid they will remain pious hopes. I find this regrettable because we believe that a very great deal of money must be invested in education and training. Unfortunately, education in many countries has been the victim of cuts, and the European schools should therefore show how an optimal education is an investment in young people's futures. Things that cost more money must also be quantified and, after the praises that have been sung of the Papapietro report, that is a criticism, because none of the things referred to in the report is followed by an estimate of the costs. This will have to be done if we intend to be tough with the Commission and Council.

Something which I fully endorse, Mr President, is the call for democratization. At present, the European

schools give me — and not only me, as I see it — the impression that they are schools for the élite. All teaching is aimed at the baccalaureate. Pupils who have set their sights lower do not come off so well. An experiment in the past clearly failed, and we feel another should be made. We therefore appeal to the Commission to use the one seat it now has on the Board of Governors to call for renewed experiments to be made in an effort to promote the democratization of these schools.

Mr President, the ideals of the rapporteur and the Committee on Youth, Culture, Education, Information and Sport have my full support. They obviously agreed unanimously on these ideals, which are described very lyrically in the last paragraph of the explanatory statement. But we should like to hear from the Commission which parts of this resolution have its support and whether it will be forwarding them to the Council of Education Ministers in the near future.

Mrs Pery (S). — *(FR)* Mr President, ladies and gentlemen, in presenting his report and in the report itself, Mr Papapietro has highlighted a number of problems. As the tenth speaker it will clearly be difficult for me to say anything new. I shall therefore repeat some things which have already been said, but that is not necessarily a bad thing.

Although the European schools represent a highly interesting cultural and pedagogical laboratory one must not forget that they were established primarily for the education of the children of Community officials. However, paragraph 4 of the Papapietro report stresses the fall in the number of Community officials' children attending these schools and asks the Commission to look more closely at the causes. We can, however, already enumerate some of them.

The European schools only prepare students for the baccalaureat and it must be said that such schools, by their very nature, insist on a high standard. They require not only proven scholastic ability but also the ability to adapt to a particular civilization, culture, language and to different education systems. For the children who pass their examinations and for their parents there are no problems. However, these schools are unable to provide the necessary pedagogical support for those children who have problems in adapting. These students are educational failures and leave the European school. An alternative is not always readily available to their parents. Children who attend a European school after a number of years in a non-European school are weak in foreign languages — also referred to as 'second languages' — and have a very real need for supplementary instruction in small groups.

The European schools must also strengthen the ties with the parent and the latter must participate more closely in the work of the school.

Pery

Although such multinational and multilingual schools are very important, in many ways they will only serve their purpose by meeting the needs of the majority of the children concerned, and not by forming a European elite. They could then become something other than a laboratory and enable schools for migrant children and those in multicultural regions of Europe to benefit from their experience. The Community must provide the European schools with the financial means needed to develop a more flexible and open structure.

A European spirit should not be a privilege of an elite, but involve the greatest possible number of young people.

Mr Marck (PPE). — (NL) Mr President, as I am the second member of my group to speak, there is no need for me to expand on the general aspects, but I should like to look at a more specific problem. As regards the general part of the report, I can say that I join with other Members in congratulating Mr Papapietro on his work. In the Committee on Youth, Culture, Education, Information and Sport I was able to see the zeal and perseverance with which he set about his task, and I only wish that all rapporteurs would follow his example. I thus agree with the broad lines of the Papapietro report.

But there is one point about which I have my doubts and another that I oppose. My doubts concern the expansion of the European schools to include other categories of pupils. In principle, I am in favour of this. How could it be otherwise? But I cannot find in Mr Papapietro's report a single explanation, a single reference to how this should be done, what direction it would take or what practical form it might take. I still wonder why the European schools should be opened to the children of civil servants and perhaps of diplomats but not to the children of migrants who have arrived in the country by another, but equally fortuitous, route. Consequently, I should still like to know whether expansion will be in this direction?

I now come to the point which I oppose. I should like to go into this in some detail. Mr Papapietro proposes that history and geography should be replaced with human sciences during the pre-orientation and orien-

tation periods. I should like to take this opportunity to say a few basic things about this anti-history tendency, which has emerged all over Europe in the last ten years. This tendency has had unfortunate results. Adolescents lose all sense of historical perspective and of the historical background to social phenomena, partly because this teaching of the human sciences is regarded in practice as very anti-historical and structuralist and also because the practical examples used are taken from modern history and politics. The object of the reform, it is said, is to go beyond the nation as the sole focal point of political and cultural history and increase the time spent on historical development. The defenders of this movement seem to forget that modern history, what has been called *la nouvelle histoire*, as it has been taught for a number of years in France by such illustrious people as Duby and Leroy-Ladurie, in Belgium, where very interesting proposals have been made by Professor Verhulst and others, and also in Germany, is an all-embracing history of societies within a framework that is not formed by the nation or nation state. Modern historiography thus completely overcomes the complaints of those who propose the replacement of these subjects. There is no need for them to be replaced with human sciences.

It is sometimes objected that this means looking for an ideal history. In answer to this, it can be said that the new trend in historiography is to compare everything European and to show that European developments are not imaginary but have actually happened. I would most seriously urge Mr Papapietro to remove the present wording and to agree to my amendment. Greater emphasis on the teaching of history will improve the mind and broaden the horizons of young Europeans, who are increasingly confronted with European reality. It is here above all that the European schools can do pioneering work.

(Applause)

President. — Because of the time the debate will now be suspended and resumed tomorrow.¹

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

¹ Agenda for next sitting: See Minutes

*ANNEX I**Votes*

The Annex indicates the rapporteur's opinions on amendments and reproduces the texts of explanations of votes. For further details of voting, the reader is referred to the Minutes.

**SECOND PROUT REPORT
(DOC. 1-1180/82 'CONSUMER CREDIT'): ADOPTED**

Mr Tyrrell (ED). — This started as an utterly impracticable proposal for a directive, but it has been converted by the Legal Affairs Committee and the Parliament into a workman-like text. However, although it masquerades as a harmonization directive, it is still not one. This is because Article 16 provides a loophole for Member States to continue to keep out services from other parts of the Community by expressly enabling Member States to adopt more stringent measures than the directive lays down. We know from experience that some Member States will take advantage of such loopholes. Regrettably, Parliament supported the Commission in enabling these loopholes to remain. As a result, I do not believe that this directive will enable any goods or any services to cross Community frontiers that could not do so if the directive were not made ; and it is in those circumstances, in sorrow and with resignation, that my group will abstain on the vote which is about to take place.

* * *

**CECOVINI REPORT
(DOC. 1-387/83 'DISASTER-STRICKEN REGIONS'): ADOPTED**

Explanation of vote

Mr Bombard (S). — (*FR*) I shall vote in favour of this report which made a considerable impact upon me, especially in the light of the speeches made by my Greek friends. The Committee on the Environment, Public Health and Consumer Protection had instructed me to draw up a report on techniques and practical measures for preventing natural disasters. I believe I shall soon be able to present this report so that the various intervention units for dealing with the different cases considered will be ready.

*ANNEX II**Commission action on European Parliament opinions on Commission proposals delivered at the May and June part-sessions*

This is an account, as arranged with the Bureau of Parliament, of the action taken by the Commission in respect of amendments proposed at the May and June 1983 part-sessions in the framework of Parliamentary consultation, and of disaster aid granted.

A. Commission proposals to which Parliament proposed amendments that the Commission has accepted in whole or in part (May and June 1983 part-sessions)

1. Report by Mr Markopoulos closing the parliamentary consultation procedure on the Commission proposal to the Council for a decision adopting an experimental Community action to stimulate the efficacy of the European Economic Community's scientific and technical potential

On 8 June the Commission sent the Council an amended version (COM(83) 364 final) of its original proposal for a Council decision. This incorporates the amendment Parliament adopted concerning paragraph 2 of Annex A to the proposal for a Council decision.

2. Report by Mr Normanton closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(82) 855 final) for a decision adopting an EEC research programme on forecasting and assessment in science and technology (FAST) 1983-87

The Commission has begun the procedure to enable an amended version of its original proposal (COM(82) 855 final) to be sent to the Council. This version will incorporate the amendments Parliament adopted on 10 June 1983 concerning paragraph 1 of the Annex to the proposal for a Council decision adopting an EEC research programme on forecasting and assessment in science and technology (FAST) 1983-87.

3. Report by Mr Pöttering closing the parliamentary consultation procedure on Commission proposals to the Council (COM(82) 658 final) for regulations concerning a second set of specific Community regional development projects under Article 13 of the ERDF Regulation (non-quota section)

The Commission is now preparing an amended version of its proposals that takes account of the opinion Parliament delivered at its June 1983 part-session. The amended proposals are to be sent to the Council forthwith. The European Parliament will be kept informed.

4. Report by Mrs Van Hemeldonck closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(82) 892 final) for a directive on the monitoring and inspection of cross-frontier transfers of dangerous waste in the European Community

On Wednesday 15 June the Commission adopted a draft proposal for a Council regulation on the monitoring and inspection of cross-frontier transfers of dangerous waste in the Community, altered under the second paragraph of Article 149 of the Treaty. The amendments, based to a large extent on those requested by the European Parliament, were sent that same day to the Council, which took them into consideration in its policy discussion on 16 June.

5. Report by Mr Schieler closing the parliamentary consultation procedure on the Commission communication to the Council COM(82) 400 final) concerning a draft Council resolution on the relaxation of conditions in respect of the checks on Member State citizens crossing intra-Community frontiers

The Commission is going to present, using the procedure provided for in Article 149 of the Treaty, an amended proposal incorporating the amendments it accepted.

6. Second report by Mr Dalsass closing the parliamentary consultation procedure on :

(I) the amended Commission proposal to the Council for a regulation establishing a common organization of the market in ethyl alcohol of agricultural origin and laying down additional provisions for certain products containing ethyl alcohol (COM(76) 274 final), and

(II) the amendment relating thereto presented to the Council by the Commission under the second paragraph of Article 149 of the Treaty establishing the EEC (COM(79) 237 final)

The Commission is now preparing a proposal, altered under the second paragraph of Article 149 of the Treaty, which takes account of the amendments adopted by Parliament.

Resolution

§ 4

Commission departments are preparing a text along the lines desired by Parliament which may include additional provisions concerning the description of vinegars in order to avoid confusion.

§ 5

Commission departments intend to examine what measures would be most appropriate to achieve the end in view.

§ 6

The Commission shares Parliament's concern that surplus-wine alcohol should not disturb the market in ethyl alcohol as a whole. It intends therefore to see that such disturbance is prevented, possibly by arranging for the alcohol to be disposed of either outside the Community or for carburation.

§ 7

The equal conditions of competition between the various agricultural alcohols and spirituous beverages which Parliament wishes to see established through harmonization of taxes and duties has already been the subject of Commission proposals.

7. Report by Mr Petronio closing the parliamentary consultation procedure on the Commission proposal to the Council for a decision amending Decision 82/402/EEC adopting a research and development programme (1982-85) in the raw material sector

On 8 June the Commission sent the Council an amended version (COM(83) 365 final) of its proposal for a Council decision amending Decision 82/402/EEC adopting a research and development programme (1982-85) in the raw material sector. This incorporates the amendment Parliament adopted concerning the sole Article of the proposal for a Council decision.

8. Report by Mr Nyborg closing the parliamentary consultation procedure on the Commission proposals to the Council for :

- (I) a regulation laying down certain measures for the standardization and simplification of statistics on trade between Member States,
- (II) a regulation introducing a specimen declaration form to be used in intra-Community trade

The amended proposal has been adopted by the Commission and will be sent to the Council and the European Parliament early in July.

9. Report by Mr De Gucht closing the parliamentary consultation procedure on the Commission proposal to the Council for a regulation amending Regulation (EEC) No 2779/78 on the procedure for applying the ECU to legal acts adopted in the customs sphere

The amended proposal has been adopted by the Commission and will be sent to the Council and the European Parliament early in July.

B. Commission proposals to which Parliament proposed amendments that the Commission has not felt able to accept

Report by Mr Collins closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(82) 170 final) for a directive amending Directive 70/220/EEC on the approximation of the laws of the Member States relating to measures to be taken against air pollution by gases from positive-ignition engines of motor vehicles

Resolution

item 3

The limitation of noxious gases emitted by the diesel engines of heavy lorries is to be considered later by the ad hoc ERGA Working Party on Air Pollution. Work on this can begin as soon as the Working Party has completed its assignment concerning the lead content of petrol.

items 4 & 5

The question of the periodic testing of vehicles with reference to the emission of regulated pollutants was already raised in the ad hoc Working Party's first report. It will be examined in greater depth when the Working Party tackles its next batch of work with a view to establishing the technical bases for such testing at Community level.

The Commission would point out that roadworthiness tests for commercial vehicles (heavy lorries, buses and coaches, taxis, ambulances) are already carried out throughout the Community in pursuance of Council Directive 77/143/EEC, which came into force on 1 January 1983.

The Directive makes it compulsory for exhaust emissions to be tested once a year.

With reference to private cars, the Commission stated in its Communication to the Council on common policy for surface transport (COM(83) 58 final, 9 February 1983) that it was intending, after studying the cost and benefits of such testing, to present a proposal to extend the tests to private cars.

item 6

Establishing valid statistics for the Community as a whole, which show that the measures taken in relation to motor vehicle emissions are having positive effects on the quality of air, give rise to considerable practical problems, both technical and administrative. The Commission is taking an active part in the work of concerned international circles and will report to Parliament in due course, though it is unable to accept the time limit laid down for the presentation of full statistics.

item 7

On all subsequent occasions the Commission will continue to propose the relevant measures to the Council and Parliament as part of the provisions which in the directives on the approval of motor vehicles relate to this aspect. This is in line with its global approach, which it considers of particular importance in this sector. Parliament will thus be able to deliver political opinions on such Commission proposals.

C. Commission proposals in respect of which Parliament delivered favourable opinions or did not request formal amendment

1. Report by Mr Curry closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(83) 127 final) for a regulation amending Regulation (EEC) No 804/68 on the common organization of the market in milk and milk products

The Commission is now preparing the implementing regulation on aid arrangements for school milk. The regulation takes account of the position adopted in the parliamentary resolution in that it favours quite flexible arrangements in view of the variety of different situations in the Member States.

2. Report by Mr Martin closing the parliamentary consultation procedure on the Commission communication to the Council (COM(82) 828 final) concerning an experimental programme for transport infrastructure

The Commission will try to obtain acceptance for Parliament's requests when consultation takes place in the Infrastructure Committee and through its contacts with the business organizations.

3. Report by Mr Sälzer closing the parliamentary consultation procedure on the Commission communication to the Council (COM(82) 865 final) concerning proposals for European scientific and technical strategy (outline programme 1984-87)

In view of the fact that, when it adopted the resolution closing the parliamentary consultation procedure on the Commission proposals for European scientific and technical strategy (outline programme 1984-87) on 10 June, the European Parliament made final approval subject to its consideration of the new Commission proposal put before the Council on 17 May 1983 (COM(83) 260 final) (being examined at this moment by Parliament's Committee on Energy, Research and Technology), the Commission wishes to await Parliament's final opinion before making any moves as regards form. It is, however, taking the recommendations in Parliament's resolution into consideration already now in discussions at the Council.

4. Report by Mrs Tove Nielsen closing the parliamentary consultation procedure on :
 - (I) the Commission communication to the Council concerning new information technologies and vocational training : new Community measures for 1983-87

- (II) the draft Council decision on vocational training policies in the European Community during the 80s
- (a) With regard to (I), on 2 June 1983 the Council session on Social Affairs adopted a resolution which largely incorporates the various amendments proposed by Parliament.
 - (b) With regard to (II), on 3 June 1983 the Joint Council session on Social Affairs and Education adopted a resolution which, as in the previous instance, corresponds by and large to the draft Commission resolution as amended by Parliament.

5. Report by Mr Ghergo closing the parliamentary consultation procedure on the Commission proposal to the Council for a regulation amending Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to their families moving within the Community and Regulation (EEC) No 574/72 fixing the procedure for implementing Regulation (EEC) 1408/71

On 4 June the Council simultaneously adopted :

- (a) the regulation amending Regulations (EEC) Nos 1408/71 and 574/72 with which the resolution based on Mr Ghergo's report is concerned ;
- (b) the regulation amending *and up-dating* Regulations (EEC) Nos 1408/71 and 574/72. As requested in item 4 of the abovementioned resolution, the up-dating includes the amendments made by the regulation referred to at (I).

D. Disaster aid supplied since the last part-session

I. *Emergency aid within the Community*

275 000 ECU to the Grand Duchy of Luxembourg (disastrous weather conditions)

425 000 ECU to Italy (Valtellina region) (landslides)

II. *Emergency aid for third countries*

1. *Financial aid*

200 000 ECU to Burundi for those affected by the dysentery epidemic

1 500 00 ECU to Zimbabwe for drought victims

800 000 ECU to the Ivory Coast (fires)

125 000 ECU to French Polynesia (hurricanes)

300 000 ECU to Mauritania (drought)

2. *Food aid*

2 000 t cereals to Peru (drought)

2 500 t cereals to Lesotho (drought)

350 t vegetable oil to Mozambique (drought)

SITTING OF TUESDAY, 5 JULY 1983

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IN THE CHAIR : MR DANKERT

President

(The sitting was opened at 9 a.m.)¹

1. *Decision on urgency*

COMMISSION PROPOSALS ON THE REGULATIONS ON LEMONS (Doc. 1-486/83)

Mr Hord (ED). — Mr President, the Committee on Agriculture, as you rightly said, did approve this without report. Could we ascertain from the Committee on Budgets, as I understand that that committee was asked for an opinion, whether we are going to have an opinion from the Committee on Budgets and whether such an opinion would alter the House's view as to whether this should be taken without report?

Mr Lange (S), chairman of the Committee on Budgets. — (DE) Mr Hord, at our last committee meeting we agreed to the request from the Committee on Agriculture. You should have received notification of this quite some time ago.

(Parliament decided on urgent procedure)

COMMISSION PROPOSAL ON A REGULATION ON FOOD AID POLICY AND MANAGEMENT (Doc. 1-60/83)

Mr Cohen (S). — (NL) Mr President, there is no limit to the Council's effrontery. The Council's

contempt for this Parliament is incredible. At the last part-session the Council requested that this regulation be dealt with by the urgency procedure. Parliament agreed and, during its debate, made it clear that the regulation should be referred back to the Commission. As far as I can see, the Council has not changed its point of view or attitude at all since then. There has consequently been no material change, and I therefore assume that this Parliament will again say that it cannot deliver an opinion on this regulation and that the matter should be referred back to the Commission. Nevertheless, to show ourselves to be willing, I believe we must agree to this request for urgency, so that we can make it very clear, during a debate, on Friday where this Parliament stands and where the Council should stand.

(Parliament decided on urgent procedure)²

2. *Greek Presidency*

President. — The next item is the statement by the President-in-Office of the Council on the six months of the Greek Presidency.

I welcome here most cordially one of our former colleagues, Mr Charalambopoulos, the Greek Foreign Minister and President-in-Office of the Council. I give you the floor, Sir.

(Applause)

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) Mr President, ladies and gentlemen, Greece is the youngest member of the Community and is conscious of its responsibility in assuming the Presidency of the Council of Ministers

¹ Approval of minutes — Topical and urgent debate (announcement): see the Minutes of this sitting.

² Other decisions on urgent procedure: see Minutes.

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in a period that is particularly crucial for the future of Europe. In continuing the fine work of the German Presidency at this inauspicious juncture the Greek Presidency will make every possible effort to bring about solutions to the problems that exist. We believe that the European Parliament, with its special awareness and helpful contribution in indicating ways and methods of solving the Community's many economic and social problems, will help to sustain these efforts.

In this framework the Greek Presidency will attach special importance to the views of the European Parliament in seeking to further develop relations with it, particularly as regards drawing up the budget, which requires very close cooperation between the two institutions. Working out and drafting the budget for the 1984 financial year will be a very difficult endeavour, particularly if one takes account of the special problems and of the envisaged exhaustion of the Community's resources. This will therefore require strenuous effort by the Member States and the institutions of the Community working together.

As you know, the stalemate which had been threatening the Community with a crisis of possibly catastrophic proportions was in the end averted at the European Council meeting in Stuttgart. It has become clear that there is an urgent need for a new course to be worked out based on new supplementary measures and on new and more appropriate policies for tackling the major social and economic problems that exist. As things are, the job of charting this course has fallen to the Greek Presidency. We shall endeavour to put forward concrete proposals in anticipation of a positive response from the European Parliament.

Central in this will be the increased cohesion of the Community and the strengthening of its voice and identity, and a precondition for this is the convergence of the economies of the Member States and the lessening of structural and other imbalances. We consider this to be fundamental to the future survival of the Community. For the Greek Presidency, therefore, the future financing of the Community is a matter of first priority.

The main issue at stake in connection with future financing is the problem of increasing the Community's own resources. The budgetary problem has to be sorted out if the European Economic Community is to move ahead rapidly towards some form of unity — as envisaged in the communiqué on European union — and if the new policies are to be carried through.

The aim should not be to go for short-term solutions but to tackle the problems of the Community over the long term through the implementation of new policies based on the principles I have mentioned.

The notion of balancing receipts against contributions stands in the way of, or rather is inconsistent with, attainment of the objective of economic convergence

and reduction of inequalities in the allocation of the European product. We cannot talk about unity or union and at the same time support measures which lead to the establishment of two or three rates of advance, to the relegation of countries into second or third class status. The Greek Presidency will therefore attach special importance to combating economic imbalances and inter-regional disparities, while making every effort to update and ensure the operational effectiveness of existing policies and to determine areas of priority for new Community initiatives.

The Stuttgart statement offers a most valuable point from which to make a start, because it sets out the primary issues affecting the future of the Community in an orderly way and also gives a general outline of the procedures which need to be followed in order to resolve these issues. Specifically, it provides for the convening of special meetings of the Council of Ministers in which the Ministers for Finance and Agriculture will also participate. These meetings will be devoted to negotiations about the matters involved and to the preparation of specific proposals for submission to the next meeting of the Heads of Government in Athens in December.

Given this procedure, which the Greek Presidency will seek to put into maximum effect, and given political will on the part of the Member States, we hope that during our Presidency the Community will take positive steps in the right direction. We recognize that for an initiative such as this to be successful own resources must be increased. One idea that could be studied is the adoption of a fairer system of participation in the budget by Member States, and an attempt will be made to bring about a more rational allocation of expenditure, taking due account, of course, of the particular problems of the less developed members.

The enlargement of the Community with the accession of Spain and Portugal is another issue which has a fundamental bearing on its financing. Negotiations must be timed so that the treaties of accession of these countries are submitted for ratification at the same time as the results of the negotiations on future financing. This makes it imperative to speed up the work involved, so that we can avoid any delay in coming to a final decision. We shall concentrate our efforts more especially on those areas which have not yet been the subject of negotiation in depth. The most important of these are agriculture, fisheries and social affairs.

At the same time we must step up our efforts to ensure that the necessary preparatory measures within the Community, in the agricultural and financing sectors, are taken in good time. This refers to the Community status quo which must be sorted out quickly.

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Ladies and gentlemen, along with the guidelines it set out on future financing at its meeting in Stuttgart, the European Council requested that the functioning of the common agricultural policy be examined as part of the same urgent process. The object of this examination must be to bring the common agricultural policy into line with evolving agricultural reality in the context of adherence to the Community's underlying principles, and to take account of the special circumstances of small producers and of the disadvantaged regions of the Community. Hence controls imposed out of necessity on agricultural spending must not impinge on the positions already achieved by the Community's producers, but rather must bring order to, and simplify, the common organizations of the markets, particularly for products which have only begun to show a profit for their producers over the last year or two.

The Stuttgart statement listed some of the specific aspects of this problem, and the Commission has been asked to submit proposals by 1 August. The results of this examination into the reform of the agricultural policy, such as on its financing, will be laid before the European Council at its meeting in Athens.

Another item on the agricultural file has become especially important, in the light of the conclusions arrived at in Stuttgart, since, up to a point, it regulates progress in negotiations over the accession of new countries. This is the adjustment of the organizations of the market for Mediterranean products.

Considerable progress was achieved at the last meeting of the Ministers for Agriculture. We can hope that a final decision will be taken very soon, perhaps even at the meeting in July. In any case, the Presidency will give vigorous attention to this matter. I am sure that the Ministers for Agriculture of the Ten will ultimately agree that any reform of the Mediterranean regime should not erode, to even the slightest extent, the economic importance of products such as olive oil and fruit and vegetables. It would not be permissible, indeed I would say it would be against the very provisions of the Community's treaties, for us to convert a product from being a source of income and activity into merely a source of some form of social payment.

Another matter that will occupy us during the next six months, and which is part of the more general debate on reform of the common agricultural policy, is the structural policy. On the one hand we must draw lessons from the experience we have gained from the directives currently in force, which are nearing the end of their period of application. On the other we must define the role that the structural policy can play in the context of a reformed agricultural policy, so that we can take account of regional disparities and of the special situations affecting

various farmers, since, to put it bluntly, the structural policy has up until now been designed for implementation in countries with the structural characteristics of the old Community of the Six or the Nine. In this respect special attention must be given to the integrated Mediterranean programmes on which we must soon put our political will into entirely practical effect, by finding the resources, that is, and by embarking on serious discussions about the activities and sectors they will cover.

Finally, from among the points expressly referred to at the last meeting of the European Council, there is the question of financial equalization payments. The regulation which provides for the utilization of a uniform unit of account in the common agricultural policy is due to run out before the end of the year and must consequently be renewed. When the last renewal was made, the Council asked the Commission to examine the effects of the financial equalization measures on output and on trade in agricultural products. Furthermore, during the price-fixing round for 1983-84 the Council asked the Commission to furnish it with a report on continuing with the method of calculating the financial equalization payments for some products. Consequently, on the precise basis of these important reports by the Commission, the Council will in the autumn discuss the whole subject of agrimonetary measures in depth.

During the next six months other items of lesser importance will also need to be examined. These include, in particular, the organization of the market for sheepmeat, for which the transitional period comes to an end on 1 April 1984, and the subsidization regime for fruit and vegetables.

At the beginning of October the Greek Presidency will commence negotiations on renewing the second Lomé Convention. We hope to finalize our negotiating mandate at the next meeting of the Council in July. We are all very conscious of the immense importance of this convention as a testimony to the continuity of European policy in development matters. Not only must this convention, which in a certain sense constitutes a model, be renewed, but we must also move ahead towards seeking the basis for a new kind of cooperation which will be responsive to the real quantitative and qualitative needs of the countries of Africa, the Caribbean and the Pacific. The Commission's proposals are a significant step in this direction. I am sure that all the Member States will wish to help the Presidency conduct these negotiations in a constructive spirit so as to give a categorical affirmation of our solidarity with the states concerned. Certainly this is in the interests of the ACP countries, but it is also in the Community's interest for it to consolidate its active commitment in this way. During the time of the Greek Presidency two more meetings

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of the Council of Ministers for Development will be held, and these will deal with the integration of the various methods of assisting the Third World as a whole.

We shall continue to give special attention to the problem of world hunger in the light of experience gained from the food aid programme, and bearing in mind, above all else, the real needs of the countries involved.

I come now to an internal problem of the Community, more specifically to the general economic situation. The European Council made it clear that we must do more to promote economic recovery. To this end we shall continue with the efforts we have already set in motion to raise productive investment and employment levels by helping to facilitate the necessary structural adjustments.

The budgetary and fiscal policies of the Member States must be aimed in this direction, given the scope for manoeuvre at each country's disposal. The success of this strategy will, of course, be directly linked to developments in the international monetary situation, and therefore the Community must constantly seek the means of bringing about a lasting fall in interest rates and of stabilizing exchange rates.

The Greek Presidency attaches great importance to the even development of the economies of the Member States, because this will help the Community to achieve a higher degree of internal cohesion. Convergence of the economies, or rather of economic policies, can only be achieved by overcoming the structural problems of under-development with which some Member States are faced. This is precisely the role of the regional and social policies.

In the regional sector the Presidency will give special emphasis to the work of reforming the Regional Fund in such a way as to concentrate its activities on the needs of the less favoured areas as a matter of priority. Examination of the six regulations for implementing the second series of non-quota section measures will also continue, so that these can be given approval as quickly as possible.

The Council will also deal with the very important proposals on the integrated Mediterranean programmes. These programmes will make it possible for the areas in the south of the Community to come to grips with the structural problems of their economies and with the repercussions of the impending accession of Spain and Portugal.

The Greek Presidency will give priority to the preparation of these proposals with the aim of enabling the Council to form its first conclusions about them before the end of the year.

Ladies and gentlemen, the political will expressed in connection with the Greek Memorandum at the European Council meeting in Stuttgart will be followed up

vigorously during the Greek Presidency. In the social sector particular attention will be paid, as was the case during the German Presidency, to the problems of youth employment in the light of the decisions taken by the Council of Ministers for Social Affairs on 2 July on the rapid implementation of the decisions on the review of the European Fund. More specifically, the Council will examine in depth the communication from the Commission on the promotion of local employment initiatives. The emphasis I have laid on these aims in no way means that the Greek Presidency will neglect other objectives. In research, manufacturing and industrial innovation the Greek Presidency will strive to narrow the gulf that exists between the developed and the undeveloped countries. The Council will be asked to decide on programmes in the fields of biotechnology and information technology. With regard to the transfer of information, a new method will have to be found of ensuring close cooperation with industry.

During the next six months the Council must arrive at decisions about nuclear and non-nuclear energy programmes and about the immediate action programme of the Joint Research Centre. The Greek Presidency thus has a very full programme, which will, however, allow the Community's concern about energy in the future to make itself felt.

In the field of energy policy the fact that the oil market has stabilized somewhat should not permit us to relax our efforts to conserve energy. The Greek Presidency will insist on measures being taken to rationalize the use of energy and to diversify sources of supply. Under the Greek Presidency the Council intends to continue with this policy on the basis of the energy, energy research and solid fuel proposals already put forward by the Commission, having regard also to other documents dealing with energy policy in the Community and with the refining sector. These matters will come up for examination when the Council meets on 12 July to discuss energy issues. Additionally, the various departments of the Council will examine the question of reviewing Chapter 6 — Replenishment — of the EAEC Treaty, and the Greek Presidency will seek to update the provisions dealing with the purchase of nuclear energy.

In the transport sector the Presidency intends, in conformity with the guidelines established at the European Council meeting in Stuttgart, to continue with the discussion about the present state of the Community's social policy in respect of land transport, and will attempt to develop this further. We shall give emphasis to examining the Council's draft resolution on the gradual implementation of a set of land transport social policy measures, as mentioned in the annex to the Commission's communication to the Council of 9 February 1983. On the remaining important road, sea and air transport issues the Presidency will see to it that the work of the Council is continued in such a way that positive results ensue.

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Finally, the Greek Presidency attaches great importance to the Community's environment policy. The difficult economic and social situation, of which we are aware, must not prevent us stepping up our efforts in this area. The Greek Presidency wishes to give priority to the policy of combating air pollution and pollution of the aquatic environment, particularly after the significant steps taken in this direction at the Council meeting in June.

I would like, finally, to acknowledge the considerable efforts made by the German Presidency as regards the internal market, and to assure Parliament that the Greek Presidency will continue with these. The Greek Presidency is occurring during a time of very considerable importance for Parliament, which is moving towards the election of its members by direct and universal suffrage for the second time in June of next year. We particularly respect the European elections because they represent the further democratization of the institutions of the Community and thus lend essential democratic backing to the European Economic Community as a whole. Inspired by the principles of democracy, we shall make every effort to give favourable consideration to the European Parliament's views.

It would also be remiss of me, ladies and gentlemen, if I did not mention the important role of the Commission and the commendable efforts it makes to maintain the cohesion of the Community and to find solutions to the Community's problems. The Greek Presidency looks forward with interest to receiving the Commission's proposals and hopes to have fruitful cooperation with it. I believe that in close cooperation with yourselves we shall be able to give our peoples greater hopes of a more humane and more equitable Europe.

I come now, ladies and gentlemen, to European political cooperation, the importance of which is recognized by all the member countries.

All the same, political cooperation carries with it certain limitations and peculiarities. In the first place we should not ignore the fact that the political leverage of the Europe of Ten is not always proportionate to its economic strength. In critical areas of the world where international peace is often at risk we are not able to influence developments in the same decisive way as the two nuclear superpowers and this naturally has a limiting effect on our initiatives and actions in each particular instance. Aside from this, the peculiarity of which I have spoken lies in the fact that, despite their absolute commitment to democratic institutions, our countries frequently have differing perceptions of international developments and situations, due either to their geographical positions or the political orientation of their governments or the traditional links they have with countries outside the

Community. As we see it, this pluralism is an additional strength because it means that the joint positions we arrive at, when we do arrive at them, are the genuine product of our common political will. It is not possible, nor even desirable, for the Ten to display a monolithic unity in international affairs.

My country faces an additional problem, however. Not only is it the last member of the Community, chronologically speaking, but it joined when the procedures for political cooperation and the positions of the Community on many international problems had already taken final shape. Consequently, acceptance of the Community's political alignment in its entirety entails for us a higher political price, a price that in some cases we cannot pay. Naturally, we do have an awareness of the added responsibility which goes with the exercise of the Presidency.

I would like now to set out our position on the main international problems and the aspirations of the Greek Presidency for the second half of 1983. And I begin with the Middle East crisis, which has a claim to the sad distinction of being perhaps the most enduring, intractable and dangerous international problem. I will not tire you by listing the dangers inherent in the prolongation of this crisis. The positions of the Community on solving the Middle East problem are known. They have been set out in a series of documents from the Venice declaration to the findings of the last European Council, and including the ministerial statement of 20 September 1982. We believe that a lasting peace in this highly sensitive region on our own doorstep is not possible without the implementation of Security Council Resolutions 242 and 338, without the withdrawal of Israel from all the Arab lands it has occupied since 1967, without the Palestinian people being allowed to exercise the right to self-determination, with all that this entails, and without the recognition of the right of all the countries in the region, including Israel, to security within internationally recognized borders. We also believe that the Palestine Liberation Organization must play a part in negotiations for an overall settlement.

Unfortunately, to the already complex Middle East problem was added, in June 1982, the problem of the Lebanon, when that country was invaded by Israel with the result that a substantial part of its territory is still occupied by Israeli forces. The Ten have unequivocally condemned this invasion and have repeatedly called for the withdrawal from the Lebanon of all the foreign forces which are there without the consent of the country's legitimate government and also for the independence and national integrity of the Lebanon to be safeguarded, along with the right of the Lebanese Government to exercise sovereignty over the whole of Lebanese territory. The agreement of last May between the Lebanon and Israel will help in so far as it can be linked to an accommodation which is

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acceptable to all parties, which takes account of their legitimate interests and which safeguards the security of all the states and peoples of the region.

With the benefit of a common history and close traditional ties linking it with the Arabs, my country is prepared for its part — in discussion, of course, with its partners — to undertake any initiative which could, in the first instance, help to defuse the present critical situation, something which is essential prior to any more general peace initiative. I would also like to take this opportunity to stress just how committed Greece is to the further development of political, economic, cultural and every other form of cooperation with the Arab countries. To this end we shall endeavour to promote European-Arab dialogue and to make the content of this more substantive.

If the Middle East holds within it the danger of world conflagration — and this should command our undivided attention — relations between East and West, by virtue of their nature, complexity and wider implications, are, and will continue to be, the touchstone for the peaceful survival of humanity. In recent years, following a period of détente, these relations have gone down the road towards confrontation, with unforeseeable consequences for world peace.

The Soviet invasion of Afghanistan and the Polish crisis, but also the way in which the West has reacted to these events, have led to a build-up of tension between the two power blocs which, if we do not try to take the heat out of the situation, may lead us into the deadlock of an arms race and into the creation of a potential for crisis which will not always be under sure control. I do not need to dramatize the situation. It is dramatic enough in itself. However, I think I speak for all of you when I say that we must take advantage of every opportunity for discussion and of every negotiating avenue which can lead us back to détente and mutual understanding. Of course, the two great nuclear powers have a logic of their own and aspirations which we are not always in a position to influence.

On the other hand, the Europe of the Ten has sufficient political maturity and moral standing to make its voice heard. Our peoples want to ensure peace for many generations, and exactly the same thing is sought by all the peoples of our planet. Consequently, our efforts to uphold common sense will have the support of international public opinion. The disarmament negotiations being conducted, at various levels and within various bodies, between the United States and the Soviet Union must produce firm and tangible results. Let us not forget how much in the way of invaluable resources could be freed for combating the world economic crisis, which for many peoples in the Third World is threatening to assume tragic proportions, if the various processes of negotiations were to bring substantive results. Here I would like to add that

our efforts must be aimed at achieving parallel progress in nuclear and conventional arms limitation negotiations. The spectre of nuclear annihilation must not make us overlook the terrible losses and material destruction that modern conventional weapons can cause.

Afghanistan is unquestionably a problem which must be settled within the framework of respect for the independence, integrity and right to self-determination of the people of that country. Moreover, these principles are embraced in a series of United Nations resolutions which the Ten have voted in favour of and continue to support.

The Polish crisis is one of the most acute that Europe has ever faced. The Ten have unanimously condemned the imposition of martial law, the arbitrary arrests, the dissolution of Solidarity and every attempt at foreign interference in that proud country. However, when there was a call for sanctions to be imposed, my country stood against this because it believed that they would have the opposite effect to that desired and would, in the final analysis, inflict harm on the Polish people as a whole. I do not think we should seek to give the Polish people lessons as to how they should ultimately find a way out of their present crisis. Our line should be one of firmness, exhortation and encouragement of dialogue between the political and social groups in Poland, and of steadfastly indicating to the Polish regime that when it is able to return to the path of national reconciliation, the Ten will be ready to stand at its side and to help it overcome the economic difficulties and social turmoil it is currently facing. And because our position on the Polish crisis has been dictated by commitment to certain fundamental principles, such as respect for the independence of other states, non-interference in their affairs and the safeguarding of individual and political liberties in every state, I do not consider it amiss to add that if we wish to retain our credibility, it is essential that we be consistent and condemn violations of these principles and liberties wherever they occur.

The whole gamut of East-West relations will be substantially affected by the outcome of the Madrid Security Conference. The prospects look favourable. We hope that the latest compromise proposals put forward by the Spanish Prime Minister — to whom I would like to express our thanks for his efforts — will permit the signing of a final document which will give equal place to the human contacts dimension and to the convening of a European disarmament conference. It may be claimed that the outline results from Madrid do not match up to all the expectations placed in the conference, but along the road to lasting peaceful co-existence for all the peoples of Europe even the relatively small steps must be welcomed. What is of particular importance now is that all the countries taking part in the CSCE should show evidence of a sincere willingness to implement what

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is agreed upon in the fields of both human contacts and disarmament. Europe, which is the cradle of modern civilization, can, and must, become the setting for a *rapprochement* of the two great politico-social systems which dominate the world today.

Ladies and gentlemen, Africa is a continent which in a marvellously short space of time was able to cast off the shackles of colonial rule and take the road of national independence. Nonetheless there is one corner of Africa which has not yet managed to throw off these shackles. The West has an obligation to help Namibia take its place amongst the free peoples of our planet without further delay. The Ten have added responsibilities in this matter. Three Community countries are members of the liaison group which worked out the Namibian independence plan adopted by the United Nations General Assembly in 1975. Unfortunately, the implementation of Security Council Resolution 435 has run up against systematic opposition from South Africa, which has administered the territory of Namibia illegally since 1967. The members of the liaison group, whose contribution to the progress made so far is commendable, have a duty to exert all their influence and to make use of all the means at their disposal to persuade the government in Pretoria to comply with Resolution 435, which it has, in any case, accepted. The independence of Namibia must not be linked to other problems in the region. It is unjust, and criminal I would say, for the people of Namibia to be asked to pay for ostensible difficulties in neighbouring countries with deprivation of their independence.

I should like to take this opportunity once again to condemn the armed incursions carried out by South African forces, profiting from their great superiority, into the territories of neighbouring countries and causing great loss of human life and material damage. If Namibia is the last remnant of colonial rule, there are millions of other Africans living under a system which denies and tramples on the most elementary rights of the individual. I refer, of course, to the system of apartheid. Unfortunately, in this matter as well the South African Government is provocatively ignoring the exhortations of the international community, without reflecting on the consequences of its intransigence.

In concluding my reference to the African continent, I want to stress the constructive role played in promoting cooperation among the African countries, and in settling differences between them, by the Organization of African Unity, which this year completes 20 years since it was founded. If the Organization is to continue with its work, which makes a significant contribution to world peace, it is essential that its cohesion be maintained.

Ladies and gentlemen, in Asia there are two hotbeds of potential crisis which, if allowed to ferment,

threaten not only the peoples directly involved but also the peace of the whole region. The war between Iraq and Iran can and must be ended through a settlement of their differences by peaceful means. The Ten support all attempts at mediation in this respect, and are prepared to help in bringing about a termination of the hostilities which have cost so many human lives. I also address a plea to the warring parties to respect the terms of the Geneva Convention as regards the treatment of civilian populations and prisoners of war.

The problem of Kampuchea is another one which involves the invasion of a small and defenceless country. It is sad that the peace-loving people of Kampuchea have been living for years under foreign occupation. The Ten wish to see the withdrawal of Vietnamese forces and recognition of the Kampuchean people's fundamental right to the independence, freedom and self-determination which all the peoples of the world should enjoy.

I would be happy if I had come to the end of this already very long list of international crises and confrontations. Unfortunately, yet another region has of late been added to the problem areas of our planet. The present situation in Central America, with ramifications which threaten to extend beyond its boundaries, is due primarily to the conditions of social oppression and injustice which for many generations have been the scourge of nearly all of its peoples. Violence is assuming dimensions which threaten to get beyond all control, and disregard for human rights has become almost a rule of life. Things are complicated by the fact that Central America is showing signs of turning into an arena of East-West confrontation.

Recently, in Stuttgart, the Ten set out clearly the principles which could lead to the restoration of peace in the region: non-resort to military means, non-violation of frontiers, respect for human rights. If all the sides espouse these principles, the peoples of Central America will be able to find peace again and to devote themselves to tackling the acute economic and social crisis which bedevils them.

Ladies and gentlemen, I would now like to refer to the relations between the countries of the Community and the outside world.

Without question the United States or America is an important political and economic factor in these relations, and for this reason we must see to it jointly that relations between us are placed on an equal footing, with respect for the rights and obligations of each other, and ensure that our differences are settled through dialogue. Certain of these differences have already been resolved, and we hope that the same will apply with those that remain. I refer in particular to the Export Administration Act, during the renewal of which we expect account to be taken of our views, and

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to the question of special high technology steels where we believe that the Community has a very strong case.

The political consultations entered into by the Ten in the framework of European political cooperation are constantly widening in scope. We shall sustain the pace of these, because experience up to now has demonstrated their usefulness. This applies especially to the consultations with the remaining members of the Council of Europe which were inaugurated last April.

Speaking specifically of Japan, we note its desire to move closer to the Ten and to engage in fruitful dialogue, which will, of course, help in solving the economic problems that exist between us.

As you know, a procedure for liaison and cooperation with the ASEAN countries has been set up, despite the great geographical distance which separates us. We believe that this cooperation will be of benefit to all of us. Of particular importance for the Ten are the countries of the Mediterranean from the Maghreb to Cyprus. The centuries-old friendship that links us Mediterranean peoples with these countries makes it imperative that we strive harder to put our relations with them on a closer footing and to develop our cooperation with them to a higher level. This, also, will be one of the objectives of our Presidency.

At this point let me be allowed to dwell a little more on the Republic of Cyprus, not only because this small, independent and non-aligned country has for years now been living through a tragedy without, unfortunately, there seeming to be any glint of light on the horizon, but also because there are matters outstanding in its relations with the Community which should have been settled long ago. The Greek Presidency considers it a sacred duty to promote a solution of these outstanding issues, and likewise of the political aspects of the problem, as best it can, and we hope that in this we shall have the understanding of our partners.

The non-aligned movement, with the constant addition of new members, represents and speaks for about half the population of our planet. Despite its occasional internal rifts, the movement constitutes an important stabilizing factor in international life and carries a political weight much greater than that of the sum of its members. The Ten have every interest therefore in further developing their already good relations with the movement which, under the Indian Presidency, is expected to acquire a new impetus and greater homogeneity. One of the main objectives of the non-aligned countries is the creation of a new and fairer economic order. Global negotiations, which have been inordinately delayed in starting, constitute the best way of realizing the expectations of the developing peoples for a better future. The economic capacity of Greece does not permit it to offer wide financial and

technical aid to third countries. However, I would like to put stress on the political dimension of the problem, and to say that in respect of this my country feels a particular awareness. We live in a world of constantly increasing interdependence, where even the strongest has need of the most weak and the richest has need of the poorest. Negotiation between North and South is the only way in which the gulf separating the two can begin to be bridged. If this does not happen, humanity will face perhaps its greatest crisis since history began.

Ladies and gentlemen, allow me to round off these general thoughts and observations with a brief reference to the recent European Council meeting.

Following the Stuttgart meeting we can be cautiously optimistic. The decisions taken there in no way solved the problems. However, the Community can emerge from the crisis if it pursues a new course capable of bridging the gulf between its members and of making convergence of the economies and development of the most backward regions of each country into a reality.

Putting the Stuttgart decisions to good account will be among the objectives of the Greek Presidency.

(Loud applause)

Mr Glinne (S). — *(FR)* Mr President, ladies and gentlemen, the press statements made recently by Prime Minister Papandreou and by the President-in-Office of the Council, as well as your speech this morning, Mr President-in-Office, give the Socialist group reason for feeling confident about the new presidency. Of course, we know full well that the functions of the presidency are to propose and instigate but not necessarily to find solutions. With you we hope that the Greek presidency will be supported by the other governments in its efforts. The task will be difficult, culminating in the summit on 6 December by which time the numerous specialist Councils should have succeeded in their specific duties. Mr President-in-Office of the Council, you can count on the support of our group in this House every time real progress can be made on specific points of the speech you have just made.

Firstly, there is the financial crisis of the Community. In a press statement you said: 'We agree with increasing our own resources on condition that it helps to promote new social and regional policies in such a way as to strengthen European union.' We support you totally here. Last week this House, with the active support of our group, adopted a resolution calling for 'the problems of the Community's new resources, the development of new policies, the reform of the common agricultural policy under Article 39 of the Treaty, and fairness and solidarity in the financing of Community policies, to be solved jointly in keeping with the planned timetable of 5 and 6 December 1983.'

Glinne

We set great store by the word 'jointly' in this sentence, because everything is closely linked. We need both a thorough institutional reform and a considerable increase in our own resources to be able to develop other common policies. We need a reform of the CAP with more emphasis on structural problems and including Mediterranean products, as well as a new North-South balance in the Community with the implementation of the integrated Mediterranean programme. And all these have to be carried out in the timescale laid down in Stuttgart.

It will be your responsibility to ensure that the package remains intact, that everyone concerned does not just pick and choose in a selfish disorderly manner, and that everything is settled in time by a general agreement. You are facing a real historical challenge in which the survival of the Community is at stake.

Still on Community finance, I read in last weekend's *Observer* that 'the Greek government wants to solve the problem of the EEC's failing resources by levying amounts based on per capita income, so that the rich Member States would support the less prosperous'. This plan, adds the *Observer*, 'contrasts with Mrs Thatcher's ideal of each Member State contributing to the Community in proportion to the benefits it gains'.

Irrespective of the accuracy of this press report, we can only encourage you to fight the disastrous tendency of some to expect *juste retour* and ignore the fact that the Community must, if it is to be a real community, be above all an enterprise in solidarity.

(*Applause*)

On enlargement, it is quite right to insist that the financial crisis must be solved, the CAP reformed and the Mediterranean plan implemented for the sake of the Community as it is at present, irrespective of new accessions and the related specific problems. We must put the house of Europe in order, first and foremost because it needs it. However, this internal programme must be carried out in such a way that the house can expand rapidly with the accession of Spain and Portugal; the decision of principle on enlargement, quite separate from the ratification by the national parliaments, should, in our view, be taken by the end of June 1984. That was the feeling at the end of the recent joint meeting in Madrid of the Bureau of our group and the delegations from the Portuguese and Spanish Socialist parliamentary groups. I must say, Mr President-in-Office of the Council, that our Spanish and Portuguese friends place very great hopes in you and your presidency for enlargement, which is only natural among Southern Europeans that have survived three terrible dictatorships.

I shall conclude this sketch of the Socialist group's initial reaction by stressing that we support the principle of your statements on détente. You stated, Mr Minister, that the Greek presidency wants to streng-

then Europe's independence with regard to the two superpowers, so that Europe can pursue its own policy of détente and be a factor for peace in the world. In this context we attach particular importance to what you have just said about Southern Africa, the Middle East and Central America. We can but support your declaration that you intend to promote the North-South dialogue and to develop Europe's relations with the African countries and the Third World in general.

In conclusion, may I say that our best wishes go with you. We have confidence in you, but our concern for you will also impel us not to spare you the constructive criticisms which we, as democrats, generally try to put forward.

Mr Barbi (PPE). — (*IT*) Mr President, Mr President-in-Office of the Council, ladies and gentlemen, I think that the whole Parliament, and certainly our Group (as well as the Socialist Group, as Mr Glinne has just said), is viewing the first Greek Presidency with great attention, lively interest and trust. I say 'trust' because, until there is proof to the contrary and in spite of certain views and objectives upheld by the political party of which they are the spokesmen in their country, we believe that President Papandreou and his colleagues will find in the deepest and most widely-held beliefs of the whole Greek nation the strength and the inspiration which will enable them to make a vigorous contribution to the progress of European unity. Our confidence springs from the knowledge that that very same nation was the cradle of Europe and of democracy and was able in the most admirable fashion to defend and retain its own European and Christian identity even during centuries of harsh and cruel foreign domination; more recently, that nation retained its freedom and independence first in the face of Nazi and Fascist oppression and then in the face of Communist oppression.

We have no doubt that this same nation will provide us with a constructive and forward-looking contribution towards the unity of our continent, which we all see as an indispensable condition for the freedom, peace and economic and social progress of our countries.

It is certainly true that the Greek Presidency has a very difficult task before it: that of implementing those Community projects and proposals which have, also, been deferred. As members of the European Parliament, we shall consider that the Greek Presidency has made a positive contribution if it is able to meet this task.

The conclusions of the Stuttgart Summit were indeterminate and so were unsatisfactory from our point of view, as I have already made clear last week to Chancellor Kohl and Mr Genscher and as I now say again to those taking over the Presidency of the Council. In our view, Stuttgart is only a starting-point, in that it

Barbi

represents a statement of the needs of the Community and a number of proposals to meet those needs. We must now turn those proposals into clear, practical and well-thought-out Community policies with proper financing.

Parliament, followed by the Commission, has fulfilled its duty by establishing an order of priority for these policies and by indicating ways and means for financing them. For some time now these two Community institutions have asked the Council, which is the body with the power to take decisions and to make legal provisions, to proceed to choose and deliberate if the Community is not to be paralysed and if — and let us not forget it — our countries are to avoid economic and social decline.

The Ten claimed at Stuttgart, that they had taken decisions, but in fact they deferred the most important aspect of those decisions, which was how to pay for them. Mr President-in-Office I was pleased to note that in your speech this morning you recognized the need to decide on how to finance Community policies. These decisions can now no longer be delayed. The very question which has, for so long, disturbed and affected the life of the Community, which is that of adjusting The British contribution, can only find a lasting and sensible solution if Community policies are implemented which enable Great Britain as well as others to benefit overall from individual policies apart from the general advantages of belonging to a huge market of 280 million consumers from which we all benefit in specific ways and to a precise extent. We welcome the financial compromise reached at Stuttgart on the British contribution, even though it has limits and shortcomings.

As the institution with budget authority, Parliament is ready to approve the implications of this for the 1984 Community budget. However, let it be clear that its approval will only be given, as Mr Glinne said just now, on condition that the problem of the Community's own resources is resolved at the same time, that is, those new policies which have been outlined must be made possible! Without new Community policies, Mr President-in-Office, that economic alignment of which you spoke and those measures to overcome economic and regional imbalances within the Community will not come about.

We are, of course, speaking of Community policies which are worked out, financed and administered according to Community criteria and the norms and traditions of the European Institutions and not according to intergovernmental criteria and by agencies financed by contributions from individual States. Let it be absolutely clear that we shall use all the means at our disposal, both here and outside Parliament, to oppose any attempt to 'renationalize' the areas of concern of the Community. Let it be quite clear that we shall oppose any attempt, however surreptitious, to move backwards to State control at

the expense of the spirit of unity and the process of political integration of our countries.

The Athens Summit in December will take place before we vote on the budget, and we shall know how to use this one real power which we have. Mr President-in-Office of the Council, we know very well what the limits are of this power we have. We know that if we reject the budget this can have a counterproductive effect in checking and slowing down the life of the Community instead of furthering it, as we have already discovered to our cost when we rejected the 1980 budget and the Council took a scandalous six months to present the new budget.

In spite of this, we think that what is at stake in Athens is worth this risk if we find that in December we have to reject a budget which makes provision for a settlement of the British contribution to the budget without a Council decision on removing the 1% ceiling on VAT and the resulting financial measures for implementing the new Community policies which we have all considered necessary for some time.

If we are forced to take this action in December, the Council should know here and now that we would do so after due consideration, well aware that it was our duty to show all the inhabitants of Europe that the Council had taken upon itself the grave responsibility to keep the Community in a state of paralysis by refusing to grant the finance necessary for its existence and progress.

In the meantime, Mr President, this Parliament will, in the Autumn, debate and vote on the draft revision of the Treaty of Rome and the improvement of our Community Institutions and the relations between them, precisely because the experience of recent years has made it abundantly clear to us that here lies one, if certainly not the only one, of the main causes of the lack of efficiency, slowness to act and recurrent crises of our Community.

We are very well aware that this initiative of Parliament does not and will not meet with the approval of some of the governments of the Ten, and therefore of the Council. Therefore, we shall submit it directly to the national Parliaments and the political and social forces in Europe, that is, to the public as a whole. We shall then see which States and political parties wish to continue along the way towards integration — and political integration in particular, as we know from experience that economic integration depends largely on this — and which do not.

But it will be said: will there then be institutions in Europe proceeding at two different speeds? We do not want this at all; however, if we have to continue to mark time and to suffer the paralysing effects of blackmail from some quarters, there is no doubt that those others who have expressed their desire for unity and integration should have the right to proceed with clear-sightedness, decisiveness and courage along the

Barbi

way which was marked out for us by the founding fathers of the Community and with such great success as to carry along even those who at the outset did not believe in it and tried to oppose it.

Greece is the latest European country to join the Community. Not out of mistrust for the Community, the idea of it and its spirit of unity, not because, like others before it, Greece did not believe in the Community, but only because of the harsh and difficult internal situation which has now, happily, been resolved. Only yesterday I read in an Italian newspaper that President Papandreou declared that it is historic interest that the latest country to join the Community should take on the Presidency for the six months most crucial for the future of Europe. Mr President-in-Office of the Council, I am an Italian citizen of Magna Graecia, and was born and live in a city which for 2 500 years has had the lovely Greek name of Naples, *nea polis*, even if it is a *paleapolis*, an ancient city; I am an Italian citizen of Magna Graecia and I feel very close spiritually, culturally and socially to our Greek friends ...

(Applause from the Greek benches)

and I hope that, through the work of its Presidency, Greece, which is today the latest country to join the Community, will become the leader in the measures to revitalize and consolidate our unity and our development. Our best wishes, Mr President-in-Office.

(Loud and prolonged applause from the centre)

IN THE CHAIR : MR NIKOLAOU

Vice-President

Mr Fergusson (ED). — Mr President, we heard from the new President of the Council quite a *tour d'horizon*, quite a review of our concerns, and we listened with care but, I think, with no great hopes that six months later the world will be a better, safer place. The problems have been rehearsed again, but where are the answers?

Greece has the fortune — misfortune, perhaps — to hold the Presidency for a six-month period during which, and especially towards Christmas, the noise of ticking will be getting louder all the time. One source of this ticking is the Community's own time-bomb set for Athens in December — the Community budget. It is a time-bomb laid in part by this Parliament, determined as we are that the Community's progress shall not be thwarted, and it is one which neither Commission nor Council, tinker as they may, has yet dared to defuse.

The Commission has produced some ideas, but they are more for post-explosion reconstruction than for averting the crisis. The Council, well, it consists of individuals of varying persuasions in regard to this matter. Some — and we all have our different ideas

about who they are — in the intense conviction of their rectitude, seem to wish to hang on to the *status quo* rather like lobsters who are quite prepared to keep a grip on their prejudices until the point when their claws are ripped off.

Mr President of the Council, in welcoming you and congratulating you on your assumption of office, we do not envy you your task this autumn nor the problems you will have with your colleagues, because we do not underestimate the difficulty and the importance of these particular problems.

You spoke of new policies, new paths and new plans, and you just mentioned the old, old policy of completing the internal market. May I, however, refer you back to it — because it will certainly recur and it will involve Greece when the internal market Council meets again in September — by recalling what one of my colleagues told your immediate predecessor of the benefits which would derive to the budget from approving and implementing all those internal market directives which are extant at the moment — benefits to the budget, benefits for trade, for economic revival and unemployment and our ability to help the Third World. This willingness to refer back to the internal market might well be the touchstone of your seriousness in your office.

There is another source of the ticking to which I have referred. It is the clock of East-West relations moving forward towards new configurations. There are problems, of course, for Western cohesion during these six months, but there are some interesting developments facing the new Council. Sinister or hopeful? It is rather hard to say. There is the notable matter of the recent meeting of the Warsaw Pact coinciding with the latest events in Poland, indicating the real and sobering differences between the Western alliance of free associates in the defence of freedom and the Soviet satellite empire where, if uniformity and solidarity is not offered, it will simply be imposed. All this reminds us that the European Community is far from being, as Mr Glinne seemed to suggest, equidistant from the two superpowers and that those superpowers cannot be equated in any terms except those of size and power.

There are signs of movement by Russia these days on the matter of human rights. You referred to them yourself. We may learn more in due course from the visit of Chancellor Kohl to Moscow, and you will be hearing from him. There are hopes for genuine success in the current burst of sensitive diplomatic activity, if we maintain through you our common determination not to be sidetracked in arms limitation. There are vague signs that the Soviets may yet allow themselves to be prised loose from Afghanistan, knowing now that the road to the *détente* for which you wish now starts in Kabul and certainly leads through Central America as well as Warsaw.

Fergusson

All these are signs. Do they amount to something tangible? A basis for the common understanding to which you referred, or simply a row of beans? All we can feel as the new presidency takes over is that this is no time for the European Community to be still pulling itself apart over nonsensical budgeting and internationally irresponsible agricultural production, both of which not only vitiate our hopes for enlargement, for any Mediterranean programme, for progressive economic cooperation, but also weaken the stance of the Community in the world at a time when our political authority is most required to assert itself.

Mr President-in-Office, we wish you luck in trying to solve our problems and we hope to share your problems with you.

Mr Ephremidis (COM). — *(GR)* Mr President, in this debate where the President-in-Office of the Council is our compatriot and very good friend, Mr Charalambopoulos, we would like to have been able to make an expression of trust and to have offered our support in whatever way for the success of the arduous task he is taking on. It is unfortunate, however, and we are sorry to say it, but we are unable to do this, and there are reasons why.

First of all a preliminary reason. The present Greek Government was against our country's accession to the EEC and has been in favour of its withdrawal. Today a representative of that government is president of the governing body of the Community, of the Council of Ministers. We take note of the inconsistency but will not discuss it in this Parliament, because we consider that the matter lies exclusively within the competence of the Greek Parliament and of the Greek people who have endured, are enduring and will continue to endure, the harrowing consequences of our country's accession to the Community. It is our people who will be sovereign in passing judgement and laying blame, and they will have, and have already, opportunities to protest about these adverse repercussions.

What we are debating, however, is the statement by the Greek Presidency on its programme of work. We discern certain points of difference in relation to the previous presidencies of other countries. However, we have no illusions, and we will not participate in creating deception. We do not want to be like Cassandra, Mr President, but we believe that, despite the admittedly good intentions of the Greek Presidency as regards the general, many-sided and profound crisis facing the Community, no real changes will come about for the European workers, and particularly for Greek workers — I mean positive changes — because the same unfavourable conditions will continue to obtain. Because, ultimately, the proposals

and measures mentioned in the statement on the programme of work fall within, and not outside, the confines of Community logic and practice, and we know — there is twenty years of experience to go on — that these serve the interests of the great monopolies at the expense of the workers, that they serve the interests of the large and highly developed partners to the detriment of those which are small and less developed.

I will try to be specific, Mr President. It has been said by the President-in-Office, and by other colleagues who have spoken, that the six-month period of the Greek Presidency is crucial in the extreme. There are many reasons which add up to justify the use of this description 'crucial', but there is one overriding reason, Mr President, which makes it a real matter of life and death for the peoples of Europe and of the world in general. During this six-month period, and chiefly as it draws to an end, the deployment of American Euro-missiles on Community territory is due to be finally decided upon and may become a reality. And because of this justifiable counter-measures in self-defence will out of necessity be taken by the other side. As a result Europe is on the brink of a nuclear holocaust. While the President-in-Office said a great deal about disarmament and other international crises, he did not say what the Greek Presidency intends to do to get this danger averted, and in what manner, mainly because it is not only the Greek Presidency that decides but also the other institutional bodies. Indeed, it is these latter which are the dominant power in the Community.

What could have been said, Mr President, is that proposals have existed, and have been made just recently, for freezing and preventing this deployment and for guaranteeing the security of all parties on the basis of reciprocity. Why, up until now, has there been no positive response from the Community to these proposals, and why should we believe that one will be forthcoming now? There is no such response because the ruling circles in the Community, which direct Community policy, are forever servile to the wider Atlantic policy, and let us have no illusions about that either.

Mr President, reference was made in the same field of affairs to the dangerous crisis in Central America. It is said that the responsibility lies, as it were, with one side or another, that a struggle is going on between East and West, but not that a struggle is being waged by those who have for generations been the victims of tyranny and oppression to gain their freedoms and to be able to develop culturally, economically and socially. In this way they camouflage the economic, military and political interference being perpetrated there by American imperialism. As long as we turn a blind eye to this camouflage we cannot claim that we are putting forward proposals which can help towards a peaceful settlement of the differences.

Ephremidis

Mr President, even on the issue which is sacred for us Greeks, that of Cyprus, the President-in-Office said that he has the understanding of the Ten. But only a couple of days ago seven members of the Community — I refrain from mentioning what happened in the past — abstained from voting at the UN on a most positive resolution concerning the Cyprus question. How will this be altered?

Mr President, there is another range of matters as well. It requires a lot of time, but in the few minutes remaining I want to refer to the fight against unemployment, to investments and to economic recovery in the Community. How is it possible for these matters to be tackled properly when we know what the real causes are? When we know that the American monopolies and the high exchange rate of the dollar are luring and attracting capital away from the countries of Europe like magnets? When there is the burden of military and armaments spending? Where will the resources be found for investment to combat unemployment? Who will force the monopolies which dominate in the Common Market not to make only investments which promise the greatest possible profit, and compel them with anti-monopoly measures to make investments for the sake of economic recovery, for economic growth and for the creation of jobs? And how can this be done?

Finally, despite what I said at the beginning, I want to express a wish for the Greek Presidency: for it to learn now by direct experience and at first hand, if it did not know already, what a great mistake it has made in altering its position and in becoming one with the Community.

Mr Cecovini (L). — *(IT)* Mr President, Mr President-in-Office of the Council, ladies and gentlemen, as Chancellor Kohl, Mr Genscher, Mr Thorn and the President of the Council himself have all said today, the Council's next six-month period of office will be absolutely decisive for the future of the Community.

If this period does not match up to expectations, we shall wait in vain for a huge and well-disposed turnout at the European elections set for June next year. At Stuttgart it was possible to stop the train from going off the rails. At the Athens Summit it is essential not just to get it going again in the right direction but to speed it up and remove obstacles from the line.

Fate has decreed that these vital six months should coincide with the début of the Greek Presidency, which has, at times, shown some hesitancy about the building of Europe, as is shown by some of the reservations expressed on certain measures for furthering institutional and political progress.

In the field of economics, we think that some grounds for hope can be deduced from the first statements on planning made by the Greek President-in-Office of

the Council, who is our ex-colleague, the Minister for Foreign Affairs himself. However, in Europe today we speak of political cooperation, mutual security and concerted action within the UN, and there must be no misunderstanding about these.

The Liberal and Democratic Group welcomes these new political moves, on condition, however, that they do not serve to conceal any lessening in economic cooperation and the abandonment of the policy of bringing North and South closer together. We are obviously in agreement with the priority given in the Greek Memorandum to the problem of increasing Community resources. If we do not go above the 1% ceiling for VAT, all our discussions and resolutions will be purely academic. As the Greek Secretary of State, Mr Varfis, has said, you can't make new policies without paying for them.

We also agree that the agricultural policy should pay more attention to structures. A progressive Community cannot continue to allocate two-thirds of its budget to agriculture. Moreover, this is no way to solve the problem of surpluses which have already been criticized by the Committee on Budgetary Control.

Unfortunately we have just recently had the news that the Council of Ministers has not been able to resolve its differences concerning the revision of the ERDF, which this Parliament has been demanding for two years. This reform is absolutely essential as a preliminary to the implementation of integrated measures, already being carried out for Belfast and Naples and hoped for in the case of initiatives like that of Trieste, where they would offset the peculiar position of that city which would otherwise risk an irreversible economic decline.

Another sector which demands particular attention is that of transport, which the Legal Affairs Committee under the chairmanship of Mrs Simone Veil has already considered and which has led to sanctions by the Court of Justice because of the Council's failure to act.

We request that progress should also be made as regards security, a matter dealt with by Mr Haagerup in a report which this Parliament adopted by a large majority. For as long as the defence of Europe lacks credibility, it will continue to carry almost no weight in international disputes.

In its memorandum the Greek Government asks again for Community support in the dispute over Cyprus. We heard some words on this subject just now. Without committing my Group, I think that the problem requires further investigation which would also take account of the terms of reference established in speeches on the Falkland Islands.

One final word on the proposals to reform the institutions. In September Parliament will approve the draft masterminded by Mr Spinelli, and before the June elections a reform of the Treaties will be proposed with a view to the establishment of European Union.

Cecovini

There must be no hesitation or delay in this regard. The Community is a composite whole, and it would be illusory to think of wanting one part of it and refusing another. Together with Mr Venizelos, the Chairman of the Greek Liberal Party, who sent me a message on this subject this morning, we hope that under the Greek Presidency the Council will, as its President-in-Office said this morning, be able to define its position and accomplish another essential and unequivocal step towards that European Union which is close to all our hearts.

Mr Pשמazoglou (NI). — *(GR)* Mr President, I welcome the Greek Presidency which attests to the full and active participation of Greece in the European Community. I wish it fruitful endeavour in tackling the urgent and serious problems facing the Community, but also as regards the strengthening of the Community's institutions and progress towards the political unity of the European peoples. The Greek Presidency will turn out constructive if it puts its main emphasis on three factors.

The first of these is the shaping out of the reforms agreed upon in principle in Stuttgart, centring on the increasing of the Community's own resources. Despite the difficulties, which I do not underestimate, it is time the necessary decisions were taken, and the Commission's proposals on the crucial issues are very close to the basic resolutions which the European Parliament has adopted by large majorities. Within the totality of decisions to be finally shaped out in the second half of 1983 it is logical and necessary for there to be agreement as well on the strengthening of Community preference for Mediterranean products, on safeguarding the incomes of small producers and on speeding up the Mediterranean programmes, as the President-in-Office of the Council of Ministers has stated.

I want to stress, however, that the pursuit of these objectives is also in the interests of the economically powerful countries of the European Community, because it will contribute to the economic recovery of the whole Community, strengthen national budgets and put a check on unemployment in all our countries. This is the only way to reduce the disparities between our countries and regions and lay the basis for wider-reaching social solidarity in Europe with a strong political foundation.

The second factor is European political cooperation. The European Act signed in Stuttgart a few days ago on the basis of the familiar Genscher-Colombo Plan is unacceptably scanty and shot through with the reservations of certain countries. Notwithstanding this, there remains an urgent need for a joint foreign policy and for a security policy for the European peoples so as to give the Community greater political influence on the world stage, as the President-in-Office of the Council himself said. I want to stress, furthermore, that the

foreign policy of each country will acquire considerably greater weight if it is integrated into a multi-dimensional joint European foreign policy dictated by the common geopolitical and economic interests of all our peoples.

Here I consider it essential to stress that European political cooperation demands that all the member countries show the necessary degree of concern and active solidarity on issues which are of national importance for one or other of our countries. For the United Kingdom such an issue was that involving the Falkland Islands last year. For Greece there has been, and there remains, the issue of Cyprus where a military invasion took place in 1974 with weaponry use that was in breach of American legislation. This violation of international legality, which has been commented on time and time again by the competent international bodies, is, in the final analysis, undermining peace and stability in a sensitive region. The passive stance of the Community on this critical international issue is incomprehensible.

The third factor, and one where the Greek Presidency has a duty to give support, concerns progress towards European political unity. The weaknesses of the European Act signed in Stuttgart make reform of the European Community even more imperative. Despite the opposition, the reservations or the hesitancy, which continue in being, a positive stance is taking shape across party lines in most of the ten countries on the crucial issues surrounding the political unity of Europe, and the European Parliament is active in promoting the reform and the strengthening of our institutions to provide a foundation for European union. I must remark on the fact that the President-in-Office of the Council of Ministers made no reference to these essential matters. However, the realization of this concrete objective requires long-term political initiative, and this will necessarily be founded on active political solidarity at Community level in protecting and furthering the vital rights and interests of all our peoples.

The Greek Presidency will succeed in its task if it gives firm and steady support to these discussions and developments which correspond to the will of the great majority of the Greek people.

Mr Didò (S). — *(IT)* Mr President, we have confidence in the Greek Presidency, partly because we know that the Greek Government is particularly alive to the economic and social crisis which is affecting our countries and is demonstrated by the frightening figure of 12 million unemployed.

It is true that the European Parliament is experiencing a very difficult and anxious moment in its existence. Never has the disparity between the needs of Europe, both within and without the Community, and the inability of the institutions to provide new stimulus to the process of integration been so acute. The constant

Didò

deferment from one Council to the other of the decisions that are vital to enable us to shake off the paralysis creeping over us is a game which is no longer possible, and the Athens Summit is becoming effectively a 'last ditch' for Community prospects of solving the problem of own resources.

I shall add only a few comments on the matters raised by Mr Glinne. First of all, I should like to stress my support for the priority accorded by the Greek Presidency to the fight against unemployment. This does not mean neglecting the problem of inflation, but does mean rejecting policies which combat inflation by means of higher unemployment.

Our Group, and the Parliament itself, have put forward proposals which have not been given sufficient consideration and which we ask the new Presidency to adopt as essential elements in a joint strategy. These range from the need to coordinate economic policies and revitalize investment to the pressing need to adopt a common industrial policy. It is absurd for the European Community to implement a negative policy, imposing cuts on production and employment in the crisis sectors and maybe even using a very debatable procedure — as the Commission did recently in the case of steel — while there is a total vacuum as regards the development of new sectors where new jobs could be created. Other measures concern the reduction to 35 hours and the restructuring of the working week, the reorganization of the labour market, finalizing the reform of the European Social Fund, which still requires cooperation between the Council and the Parliament, vocational training, support for small and medium-sized businesses and cooperatives and the creation of new jobs, especially for young people.

There is, however, one other point which I would like to draw to the attention of the new Presidency. At a time when a formidable process for restructuring and changing production must be undertaken, due in part to the technological revolution, and when workers and the trade union movement must be asked to take on new responsibilities and to moderate their wage demands, union rights and the right of workers and unions to participate in decisions, both on the organization of labour and on economic strategy, must be enhanced, a development that must begin with the undertakings themselves.

For these reasons the Socialist Group asks that the Community directives which would allow progress to be made as regards economic and industrial democracy should finally be adopted. We are referring in particular to the draft directive by Mr Vredeling on multinationals and businesses with complex structures and the Fifth Directive which reforms company law and extends the workers' right to participate.

There are still different viewpoints on the contents of these directives. We ask the Greek Presidency to

ensure that the final version takes the fullest possible account of the views of our side and of the European Trade Union Confederation, which we must certainly consider as the main body in this process of democratization.

(Applause from the Socialist Group)

Mr Kallias (PPE). — *(GR)* Mr President, Mr President-in-Office of the Council, dear colleagues, the assumption of the Presidency of the European Communities confers honour and responsibility on Greece. Our partners have all welcomed the Greek Presidency with open hearts, good faith and a sense of optimism, while the President of the Hellenic Republic has expressed unqualified optimism in support of it.

I in turn extend a welcome to the President-in-Office of the Council of Ministers, the Greek Minister for Foreign Affairs, Mr Charalambopoulos, and hasten to praise many of the points contained in his statement today. The time has come, thus, for our country to take on the leadership in charting out the course of the united Europe. The initiative for our accession to the European Communities belongs to the New Democracy Party at the instigation, principally, of its founder Mr Konstantine Karamanlis, who is today the President of the Hellenic Republic. It is with particular satisfaction, therefore, that we welcome the fact of the Greek Presidency. In any event, our treaty of accession was supported by most of the Greek parties and was passed by a large 191-vote majority.

The Greek Presidency has to face weighty problems. Among the more general problems are the critical one of unemployment, especially youth unemployment, the increase of resources and the promotion of European political union. The Committee on Institutional Affairs has already done valuable work and it would be good if this work could be given final shape during the Greek Presidency. I do not have time, unfortunately, to refer to the other more general problems.

Of the issues which are of particular interest to Greece, the most important are the promotion of a settlement of the Cyprus problem — and we wholeheartedly wish the Greek Presidency every success in this respect — the activation of the integrated Mediterranean programmes, through which it is sought to balance out economic disparities and to promote social justice and tranquility in the Mediterranean region, and the settlement on a satisfactory basis of the requests contained in the Greek memorandum. Indeed, we would wish to put it on record that the requests contained in the note handed to the President of the Commission, Mr Thorn, by the New Democracy government in August 1981 were similar in tone. The note was based on Protocol 7.

Kallias

We hope and pray that all the crucial problems, especially those which involve or concern Greece, can be brought to a satisfactory conclusion or that genuine progress can be made on them. We agree that a Europe of two rates of advance must undermine the realization of a Europe of all the freedoms.

Let me be allowed to address to the Greek Government, which is exercising the Presidency, some remarks which may turn out useful in helping towards the more effective exercise of its presidential duties. It is essential that the union of Europe should come to fruition as an historical necessity, and not only through the predominance of certain political ideals. At each juncture the policy of union will be determined by majority of the European peoples. A Europe undivided from the Atlantic to the Urals would be desirable. However, in the medium term at least, it is impossible for this vision to be realized — and it is, consequently, a political utopia — because the Warsaw Pact countries do not have democratic regimes, and nor would they ever accept the monitoring of human rights. Political cooperation today, political union tomorrow, these impose the need, first of all, for the formulation of a common foreign policy, with the active participation, however, of all of the partners. The only essential exception to this for us would be if the national interest of Greece were directly or indirectly involved.

In the long statement by the honourable President of the Council I believe that mention should have been made of cultural cooperation, because the contribution of the classical Greek spirit has been of major importance in the development of European civilization.

Finally, it would serve a useful purpose if the Greek Prime Minister, with the unique opportunity of the Presidency, were to put a check on the loquacity and provocative tone of certain of his collaborators. Mr President of the Council and dear colleagues, the New Democracy Party wishes wholeheartedly for the complete success of the Greek Presidency, for the good of Europe, for the good of Greece, for the good of peace. Moreover, this success will provide the most demonstrable vindication of the New Democracy Party's European policy.

(Applause)

Sir Fred Warner (ED). — Kyrie Proedre, what a pleasure, it was to hear for the very first time the Presidency of the Council addressing this Parliament in Greek, the language in which the ideals of European democracy were first formulated. And it was also a great pleasure to hear him select as his first target a proper solution to our budgetary problems. For as he said, this is indeed our most pressing problem. It is the budget which regulates the benefits which we all enjoy from the Community, and unless those benefits are fairly shared there is no community of interest. Without a community of practical interest how can

there be any community of the mind, of the spirit or any community at all? So we look to the President to address himself to this problem and we do not take comfort from what took place at Stuttgart. We gave our views in a resolution which was passed on 30 June and I beg the President to read that resolution again and to see why it is that we feel that insufficient progress is being made.

Now, the second point which the President raised was the question of 'own resources' and an increase in those resources. It may indeed be that we should be increasing our resources one day. But we in this group have always insisted that this problem be tackled in a sensible and proper manner. It is no good increasing resources until you have controlled expenditure. Otherwise, the money simply flows out through the open-ended commitments. Until we have controlled our agricultural expenditure, we cannot simply pour more resources into the Community. Let us get the horse before the cart and let us make sure that if more money is to be provided, then it is going to go for the purposes for which we want it and not in supplementary budgets for agriculture.

May I also say that we in this group look to the President to set the priorities of Europe. We feel that perhaps today, if I may say so, you did not get the priorities quite right. We would like to have heard a good deal of that 30 minutes you addressed to the problems of the outside world devoted to the acute internal problems of this Community. You referred only in passing to the problems of the internal market. But we have seen so little progress since Copenhagen, that we beg of you to turn your attention to this, to ensure, as Mr Fergusson said, that at the end of your Presidency the NTBs are fewer rather than more numerous. And you did not even mention the Commission's proposals for dealing with unfair trading practices. These propose to give huge new powers to the Commission. They are the most important pieces of legislation in our pipeline at the moment. Will you please turn the attention of the Community to these matters rather than to what is happening in Nicaragua or Namibia?

Mr Kyrkos (COM). — *(GR)* Mr President, with the speech by Mr Charalambopoulos, the President-in-Office of the Council, a new tone has come to ascendancy in this Chamber. One could say that when a large country takes over the presidency distrust can arise about its intentions. A small country can also give rise to the fear that it will make a special point of protecting its own egotistical interests. A small country like Greece, with a great humanitarian tradition, can show that it constitutes a new bond linking us all and, by not provoking distrust, can be instrumental in occasioning a new drive towards solving the critical problems we are facing. We hope that the Greek Presidency will be able to make this sort of contribution.

Kyrkos

It is a different tone also because it expresses the voice of the less developed regions of the Community and also of working people throughout Europe.

The policy of the European Community is not shaped just in this Chamber. It is shaped by the everyday struggles of our peoples, and I think that the Greek Presidency's programme of work statement makes a substantial contribution in this direction.

From our side we would have liked a clearer underlining of the extremely critical problem of the deployment of the Euro-missiles. Also, we would have liked a greater intimation as to the priority of the unemployment issue. In this correction we would propose to the Greek Presidency that it bring in an informal consultation procedure between the agencies of the Community and the European Federation of Trades Unions so that the voice of the workers can get a direct hearing in the European Council, like the voice of the farmers of Europe on matters relating to the common agricultural policy.

I would also like to say to Mr Barbi, who expressed complementary opinions, that he ought not to persist in the view that the two-speed European Community will not yield to those who want to hold things up. Mr Barbi, if you want to press on with supporting the fastest rate of advance, then do so. Very soon we shall have the European parliamentary elections and then you will see what a gap there will be between those who promote the divisions and those who are called on to shoulder the reality of the European vision.

I would also like to say that it was right of Mr Charalambopoulos to highlight the importance of the budget, because discussion about the budget has a direct bearing on the whole prospect of European unification. If the problems of the disparities are not resolved it will effectively be impossible for any sort of progress to be made in the direction we all desire.

Colleagues, a wish has been expressed that by the end of its term of office the Greek Presidency should discover that it has made a mistake in pursuing the route of European cooperation. We want to hope, in spite of the difficulties ahead, that at the end of this term of office the powerful States in Europe will concur with the notion that Europe cannot be built without the cooperation of all its partners, and also that the Greek Government will perceive in practice that the route of solving our common problems in unison is the only one which permits both the small and the most powerful countries to open up a new perspective. If this route is not followed the smaller countries will be brushed aside by those more powerful and, among the countries of the West at this moment, it is, unfortunately, the Americans who are most powerful.

Mr Eisma (NI). — (NL) Mr President, I can be relatively brief because the Greek Presidency will also be

brief. We face, after all, a period of inactivity of at least two months because of the holidays. After that there will be a few months during which, as a result of the Stuttgart summit, there will have to be a great deal of preparation if the summit meeting in Athens on 5 and 6 December is to succeed. It is not humanly possible for all the decisions taken in Stuttgart to be properly implemented in the few short months actually available to the Greek Presidency.

Is there anything that does not need to be done? The agricultural policy needs adjusting, a solution has to be found for the future financing of the Community, despite the self-seeking *juste retour* policy of most Member States, proposals for a new Community policy on the new technologies and informatics must be put forward. We have repeatedly pointed out that in this of all sectors a substitute policy, that is, a European policy instead of national policies, would have advantages for the national budgets.

A date must be fixed for the enlargement of the European Community to include Spain and Portugal. The internal market must be strengthened, Community measures for economic recovery must be prepared, and agreement must be reached on the steel policy. As the President of the Commission said last week: 'Never in its history has the Community been faced with such difficult problems in so short a time.'

Apart from the many problems I have just mentioned, all awaiting solution in the coming six months, real progress needs to be made towards the transport policy and, last but not least, real Community decisions need to be taken to enable Greece to solve its own economic and social problems.

I should just like to say a few words about the environment policy, Mr President. The cadmium directive must be formally adopted at the next meeting of the Council of Environment Ministers. Under the Greek Presidency European reporting on effects on the environment, which has been on the agenda for years, must be adopted as a directive. An interim report on lead in petrol must be approved at the next meeting of the Environment Council, so that a directive on these matters can be adopted on 15 April 1984 under the French Presidency. Preparations must be made now, under this Presidency, for a regulation on the transfrontier transport of dangerous substances, so that it can be adopted at the next meeting of the Environment Council. The same goes for the establishment of a future environment fund and Community measures to combat 'acid rain'. There are, then, Mr President, quite a number of decisions to be taken on the environment in the Community.

During a recent visit the Dutch Foreign Minister found the Greeks to be very open, motivated and eager to tackle Community problems. To me that does not seem enough to ensure that the Presidency is a success in the next six months. I would add the

Eisma

hope that in the coming six months the Greek Presidency puts a large number of civil servants to work on solving the many very urgent Community problems. Only then, Mr President can the Greek Presidency be a success.

Mr Seefeld (S). — (DE) Mr President, ladies and gentlemen, I should like to address myself to Community transport policy, which is set out in the Treaty of Rome but, as we all know, has not yet been implemented and is, so to speak, vegetating.

In the final communiqué from the Stuttgart Summit only two sentences were devoted to it. The second sentence ran to no more than two lines: *'The European Council urges the Council of Transport Ministers to continue with the efforts which have recently led to such tangible results and which underline the significance of this policy for the Community'*. The comment of our Heads of State and Government in the first part of the sentence flies, in my opinion in the face of reality. Nothing much has happened, but the efforts are of course to be continued. The second part of the sentence underlines the importance of Community transport policy. Unfortunately, we have had no evidence of this so far from the Council, otherwise Parliament would not have had to lodge a formal complaint against the Council for its inactivity in the transport sector.

Mr President-in-Office of the Council, your address to the House also contained a sentence on Community transport policy which you wished to promote with a view to attaining success. I am grateful to you for having devoted one sentence to transport policy and, although it is not very much, you nevertheless took the trouble to include it in your address. Some of your predecessors did not even see fit to take up the issue at all. This provides me with a further reason to reiterate my thanks. With regard to Community transport policy, I would urge you to commit the full prestige of your office to achieving progress in this sector. I would ask you to take account of the House's unanimous view that the present transport policy in no way reflects a Community approach and that considerable progress will be needed if we are to avoid damaging the Community fabric itself through the collapse of transport policy. Does it not impress you to see that the elected Members of this Parliament, across the political divide, from Socialists to Christian Democrats, Conservatives, Liberals, Gaullists and Communists are of one accord in urging an acceleration of progress in the transport sector?

I would urge you, Mr President-in-Office of the Council and your collaborators, to lend an ear to the elected Members of this House, and to their unanimously-expressed desire for renewed vigour in transport policy. Do your utmost to ensure that faint-hearted reservations are cast aside!

Do not retreat from your goal if it should be revealed that a genuine Community transport policy would benefit one or other Member State to the detriment of others. In the long run we shall all gain from a common transport policy. I, for one, consider it inconceivable that a European Community, a common market, can exist or attain its goal of rationalization in the absence of a genuine common transport policy.

One may well ask why we attach so much importance to this sector and why we intend to pursue our efforts so doggedly? I believe that a common market should strengthen the Community's internal economy. It should strengthen us collectively in the world arena. However, such a common market is inconceivable in the absence of a common transport policy. I would appeal to you, Mr President-in-Office of the Council, not to ignore our warnings. Such a common transport policy is more than ever called for in periods of economic recession, and is a prerequisite for a common market worthy of the name. Its fate hangs constantly in the balance unless we can work out a common policy. We therefore appeal to you to help us in our endeavours to attain progress in the successful elaboration of such a policy.

It would serve the interests of all Community citizens, for they can readily appreciate the areas which affect them; they are aware of Community progress or deficiencies and they judge the Community on such visible signs. Thus the folly of superfluous inter-Community personal checks must be abandoned. The Community's citizens feel bothered by such controls, and they cost the economy untold loss of time and money.

Mr President-in-Office of the Council, I urge you to translate your words into deeds! Negotiations on this sector would go a long way towards restoring the Community's credibility. Such credibility fell victim, to some extent, to the Stuttgart Summit. It will not suffice, henceforth, to unveil possible solutions. They must, rather, be worked out in a tangible form. The time has come to put an end to solemn declarations, which are invariably not followed up. We must prepare the ground carefully and decide in consequence. More than in most sectors, transport policy is crying out for urgent negotiations. The Greek presidency is being afforded the chance of setting new priorities in this sector. It would be wonderful if you were to take up the challenge. It would be equally wonderful if your endeavours were to be rewarded with success.

(Applause)

Mr Penders (PPE). — (NL) Mr President, a young President brings a certain freshness to our organization, and the same can be said of the Community. And a fresh sparkle gives rise to hope and expectation. I am hopeful about the Greek Presidency — but this

Penders

does mean looking forward, because looking back is more likely to cause a panic reaction. What Mr Papan-dreou and his party, PASOK, were saying about Europe and the EEC not so very long ago was not nice. Members of the Greek Cabinet are fond of saying that 'we — the Greeks — were led naked into the thorns of the EEC.'

A Council President is expected to be especially pro-European in his attitude. He must hold up the European mirror to the other Community countries. And there is a particular need for a positive attitude when we consider the gigantic programme that has to be dealt with under a special urgency procedure by 6 December of this year. This would test even very experienced and motivated Council Presidents. And Athens does not have six months, it has only five, a period which will include the holidays, the United Nations General Assembly, a must for the Foreign Ministers, and the annual assembly of the International Monetary Fund, a must for the Finance Ministers. And it is precisely the Foreign and Finance Ministers who must attend the special Council meetings that must lead to agreement on 6 December. Athens must therefore develop a great deal of creativity, patience and perseverance, because let us not forget that we must place the present problems in the Community against the background of a world economic crisis and of far-reaching decisions taken by a number of Member States on military and strategic issues in Europe.

Fortunately, there are also some good points. I see them in the speech given by the Council President and in his pledge to make a great effort for Europe. I see them in Mr Papan-dreou's statement that the Greek Memorandum will not be pushed. I also see them in the sympathetic attitude towards the increase in own resources: a cornerstone of Community policy, despite the smokescreen of words on the subject in the last few weeks. And Athens must also — of this I am convinced — make a great effort where Lomé III is concerned.

However, I do have one slight criticism to make. From press reports I learn that, according to Athens, Europe must do more to oppose the United States' position of power. I hope, Mr President, that such statements do not mean the Community will be used as a trump card to enable Greece to obtain more favourable conditions when the extension of the agreement on the use of Greek bases by American forces is negotiated. I am aware that Athens unfortunately does not intend to comply with the European Parliament's request that it establish full diplomatic relations with Israel. It is a pity that this will mean a smaller return on Greek political capital in the search for a solution to the Middle East problem. 'Ambassadors', Mr Papan-dreou says, 'can be exchanged once the problems have been solved'. I believe that ambassadors should help to solve problems. I certainly do not underestimate the post of ambassador.

As regards European Political Cooperation I would generally say that it is unacceptable for the Community to be isolated from political cooperation, as Greece has done in a footnote to the ceremonial declaration on European Union issued at Stuttgart. And something of this reservation about EPC was also to be detected, I felt, in the Council President's statement this morning. Mr President, political cooperation and the Community belong together. There is no escaping that. Complex societies like ours can no longer detach economic integration and cooperation from foreign political cooperation. To conclude, Mr President, the Council Presidency must be regarded not as a threat but as an opportunity, not as a danger but as a challenge: an opportunity for Europe to make progress and a challenge to the President to see that this is done. And I hope that in this respect Athens will surprise us and give evidence of a positive attitude towards our European Community.

(Applause)

Mr Prag (ED). — Mr President, for this Parliament the forthcoming European elections, to which the President-in-Office referred rather briefly, will loom increasingly large as the months to next June go by. He said the Presidency's policy would be inspired by democratic principles, which indeed is no more than we would expect of a country which we regard as the cradle of democracy.

I am afraid, however, that in spite of his words the Greek Presidency may in fact fail to take the decisions which are necessary to follow these democratic principles. In particular, I am afraid that what we may have is the disenfranchisement of the millions of Community citizens living in Member States of the Community other than their own. Unless action is taken, these millions of citizens of supposedly democratic countries — there are 250 000 of them (a quarter of a million) from my own country — will be completely deprived of a vote by next June.

There is no excuse for this, certainly not the excuse we are given time and time again, that it is too difficult, that it will take too much time to make the necessary arrangements, because certain countries make these arrangements and surely a European Community of free peoples can do so too.

Mr President, if we want a democratic European Community, we cannot allow these citizens — the real, practical Europeans who are taking up the right of free movement of people offered by the Treaties and are creating the *solidarité de fait* to which Robert Schuman referred — to be disenfranchised and thus deprived of their most fundamental democratic right. I call upon Mr Charalombopoulos to promise this Parliament that he will do everything in his power to take Community measures to remedy this totally undemocratic situation.

Mr De Pasquale (COM). — *(IT)* Mr President, on behalf of the Italian Communists, I want to welcome and give our good wishes to the Greek Government, which has the privilege and responsibility of beginning its first term in the Presidency in this very troubled and difficult period. From Stuttgart to Athens is a very short time, and there are an enormous number of problems which have yet to be solved but have been deferred and made worse by the inertia and short-sightedness of governments which are becoming increasingly less able to see beyond their own poor grasp of national interests. The behaviour of many European governments with regard to the Community has been very like that of a famous tenant who was woken up by an outbreak of fire in the house which he rented and asked to help to put it out. He replied: 'It doesn't bother me, I don't own this house' and went back to sleep.

Therefore, the results of Stuttgart are particularly serious. It would be really foolhardy, as well as ungenerous, to require the Greek Government to mediate and put forward proposals in such a way as to solve problems within a few months which others have refused to deal with over many years. We say this precisely because we greatly admire a government like that of Greece which is following a firm policy of peace, détente and freedom in Europe, the Mediterranean, the Middle East and elsewhere and which has also tried to reconcile its own national interests with membership of the European Community.

December is not only the month of the Athens summit, it is also the proposed expiry date for the installation of new missiles in our countries. We all know that the failure of the Geneva negotiations and the resulting increase in nuclear arms on both sides will throw Europe into confusion. Can we really do nothing and change nothing regarding the positions adopted previously? We do not believe it, and we think that the Community has the precise duty, within the framework of political cooperation, to adopt measures which are in line with the desire for peace of all the nations of Europe.

Mr President, the next six months should be given up to negotiations on the most urgent problems, but if the solutions are to be sought and found within and not outside the Community and its norms, then the powers and opinions of Parliament must be respected.

I will give some examples. A cheque for 750 000 000 ECU cannot be signed in favour of the United Kingdom without taking into account the fact that the other budgetary authority, Parliament, has already expressed its clear opinion on this matter, saying that it can only be resolved within the context of a restructuring of the budget, of an increase in own resources and of encouragement for joint policies. Moreover, it is absurd to ask for new proposals on the Regional

Fund when those put forward by the Commission and Parliament have been gathering dust with the Council for years; also, there should not be proposals for indiscriminate across-the-board cuts in spending on agriculture when, as everyone knows, the basic problem lies in refusing to finance surpluses and waste. I could continue at length and mention also the cuts in the steel industry and other matters; but what I really want to conclude by saying, Mr President, is that if things are considered from a Community point of view it is possible to find a balanced solution, and one in the common interest, to every problem.

If we do not succeed, it will certainly not be the fault of the Greek Presidency; if we do not succeed, it will mean that there is a clear determination to go beyond the breaking-point, with consequences which are difficult to foresee but which would certainly help to destroy what has been gained in terms of European unity.

Mr Romualdi (NA). — *(IT)* Mr President, on behalf of the Italian political right, which the electorate recently supported by a large increase in votes and Members of Parliament, I wish to extend a welcome and our best wishes to the Greek President-in-office, whose speech I listened to with close attention. It is a Presidency which marks out a special moment in the life of the Greek nation itself after it joined our Community; and even those political forces which seemed to want to oppose the entry of Greece into the Community, and which are now an integral part of this Presidency, seem convinced that Greece should be in the Community and sure that they can, with confidence, continue along the way towards equal rights, duties and common aspiration.

It will not be an easy Presidency; rather, as has been said here more than once the next six months will be extremely troublesome and difficult because of the huge number of problems which must be tackled with urgency, some of which, like the crisis in the steel industry after the very harsh and unacceptable diktat of the Commission, are literally exploding. In spite of the optimism of the President, the results of Stuttgart are very bad and ought to be rejected forthwith. Unfortunately, we cannot reject them. Let us now, with the President of the Council, draw up an inventory of the problems so that we can decide what is really urgent and important, what can and must be attempted.

For reasons of time, but only to return to them on a more suitable occasion, I shall leave aside the many questions of international politics on which the President has dwelt at length, and with whose approach we are unfortunately unable to agree. I shall, instead, talk about the need to restructure the agricultural policy of the Community especially in order to meet the needs of Mediterranean agriculture.

Romualdi

This is certainly the weakest, in part because of the delicate adjustments which it will necessarily have to undergo because of the entry — which can no longer be delayed even after the *ibis et redibis* of the Stuttgart summit — of Spain and Portugal, whose economies must not be treated as economies which are bound to compete with ours but as complementary, as indeed they can be if they are appraised and handled intelligently. Next, we must tackle once and for all, as the President himself has said, the budget question, sharing and controlling expenditure more strictly but also, I would add, more intelligently from the political point a view, that is, in order to prevent any risk of suffocating the Community and its aims. So we must increase resources, going beyond the mythical one per cent ceiling for VAT. Without this increase in income we shall continue to speak of new policies for further development and of neglected policies without ever getting anywhere. Much will be said in Parliament about these matters in the next few months. We hope that we shall be able to act, as is necessary, with the agreement of the Council and the Commission. For this to come about, Parliament must at once be informed of the problems facing the Council and the Commission.

With this aim in view, the Commission and, indirectly, the Council must adopt the good habit of sending their working documents to Parliament, including the so-called non-papers, just as the Commission does for the Council and will do for the Working Group which has been mentioned. The weight and authority of the opinions of Parliament are in part and, I should like to say, in particular bound up with the extent to which it is kept rapidly and comprehensively informed of what is happening, and so in a position to give a complete and responsible opinion which is worthy of the attention of everyone.

Mr Woltjer. — (NL) Mr President, I take this opportunity to wish the Greek President-in-Office of the Council every strength. It will not be easy to preside over the heated discussions on the reform of the agricultural policy that must take place in the Council in the next six months. I am well aware of that, and I therefore wish the President every strength in this task. I should like to mention a number of points, Mr President, which my group has regularly raised in this connection and which I consider important.

Firstly, in the reform of the agricultural policy considerable emphasis must be placed on restriking a balance between supply and demand where a number of agricultural products are concerned. That is quite clearly a very important aspect in the Community at the moment. The Commission has already informed the Committee on Budgets that it will be proposing a supplementary budget of some 1 800 m ECU for agriculture, and this for 1983 alone. For years my group has been saying that control over agricultural

spending will not be possible unless the regulations are thoroughly revised. And I well remember — and I hope the President-in-Office of the Council will note this — that the central issue in the debate we had on the mandate in this Parliament was in effect the search for a way of bringing this expenditure under control. At that time world market prices were again rising, and somebody said; there you are, everything is under control. Nothing was further from the truth. We now find that those who urged caution at that time were right. I therefore consider it very important for the Council to find a solution in this situation.

The second point to which the Commission refers and the Council President has also referred, and I agree with them, is the problem of the differences between North and South in agriculture. As a group, we fully support the idea of a genuine structural policy, for which the President-in-Office has also called.

We cannot have all the financial resources invested in the production of surpluses. No, these surpluses must be reduced. Instead, we must have a better structural policy that is more closely geared to Mediterranean products, small farmers and — let them not be forgotten — the backward areas. This is the only way to maintain a European agricultural policy, and that is why my group is a strong advocate of this course and highly recommends it to the President of the Council.

I have one criticism to make at this stage, and this concerns the fisheries problem. Anyone who has been following this will know that there is a serious *impasse* over the fisheries question in the Council at present. Less than six months ago we had reached the stage where the European Community had a common fisheries policy. Even then people had all kinds of doubts about it and were wondering whether it was all that much of a success. The principle had been accepted, but its application was to involve some of us in a great deal of work. We now find, Mr President, that the *impasse*, which was being predicted even then, has now occurred, and I hope that the Council will spare no effort in resolving this particular *impasse*, because the common fisheries policy, though still in its infancy, is at death's door at the moment. I will therefore say once again that I very much hope the Commission will pay more attention to this issue than the President's statement just now indicated. It is important that the common fisheries policy should be properly established and that it should endure.

Thirdly, there is the problem of enlargement. Too often — and I stress this — the problem of enlargement is linked to the question of an increase in financial resources. I will repeat what I have said here on an earlier occasion: the southward enlargement of the Community is an aspect which cannot be linked solely to the increase in financial resources, because that would mean putting off a decision. I consider this

Woltjer

enlargement to be important now, and I do not think we should wait to tackle the problems connected with enlargement until all kinds of other problems have been solved. I believe that we must give Spain and Portugal an assurance now — and I hope the Greek Presidency will make its contribution — that they can join the Community within the coming twelve months.

Mr Bournias (PPE). — *(GR)* Mr President, ladies and gentlemen, I listened with great attention as the President-in-Office of the Council and Foreign Minister of my country set out the programme of the Greek Presidency for the six months up to 31 December 1983 with great clarity and much detail.

As a Greek Euro MP I wish every success for the realization of the objectives set out by the President-in-Office, some of which involve urgent and critical matters that, unfortunately, were not resolved during the German Presidency. I hope that everything the Minister has said will form the backbone of PASOK's Community policy. The Stuttgart communiqué and the statements at the conference and to journalists afterwards by the Greek Prime Minister, Mr Papan-dreou, are clear on the need for results to be forthcoming at the Athens Summit on 5 and 6 December of this year.

The President of the Commission, Mr Thorn, has stated already, moreover, that the Commission will help to accelerate progress on issues of pressing importance such as European union, the fight against unemployment, the financing of the Community, economic recovery, enlargement, consolidation of the international market, the definitive settlement of the problem of Britain's contributions, and the restructuring of the Community budget which should on no account allow for other policies to be financed to the detriment of spending on agriculture.

Mr President-in-Office, only cultural matters eluded you. You paid no attention to them, although it was the Greek heritage which took up attention in Stuttgart. It should take up your attention too, as a matter of priority.

The New Democracy Euro-MPs, for whom I speak, will do everything in their power to help you, Mr President-in-Office, without deeming your position today to be a portent of real repentance or, as Mr Ephremidis said near enough, like a turn through 180 degrees. It is merely that, along the way and somewhat belatedly, you have comprehended your great mistake and come to realize the huge benefit which Community membership brings to our country, membership which other countries like Spain and Portugal are at this moment struggling to achieve. You support the Community now, though, as you remember — because we came to this House here together — you yourself said, on 12 January 1981, the day we were officially received here, that PASOK was opposed to

membership and that instead you preferred special relationships and agreements.

All the other parties were in favour of joining, except the Greek Communist Party. And as a follow-up in his speech today, indifferent to the interests of the Greek people, Mr Ephremidis boasted about the anti-Community stance of the Greek Communist Party.

I repeat, Mr President-in-Office, we shall help you, but we shall vigorously censure actions such as, for instance, the abolition of free trade unionism which has caused a stir in international public opinion.

You made reference to the Cyprus issue, and rightly so. But one of the first matters to be taken up by the Greek Presidency must be that of the missing Greek Cypriots. Our Parliament has passed a resolution on the subject and we are entitled to ask for light to shed on this murky affair. Remember that next month nine years will have elapsed since about two thousand of our fellow human beings and their families were made to pay so dearly for the barbaric invasion of their homeland by a foreign army.

Concerning the Memorandum the Minister did right to pass over it with just a couple of words. I am sure that those requests which fall within the compass of Community policy on the poorest regions will be met with satisfactorily, as the New Democracy Party foresaw, by virtue of Protocol 7 of the Treaty of Athens ratified by Law 945 of 10 July 1979 under the New Democracy Government. This protocol — the work, I repeat, of the New Democracy Government — has provided the basis for:

Firstly, paragraph 3.1.7 of the Stuttgart communiqué which speaks of the need to guarantee farmers a fair standard of living, and of the need for special attention to be given to certain Mediterranean regions.

Secondly, paragraph 3.1.9 which provides for the development of regional and social policy and for the transfer of resources to the less prosperous regions.

That is why I am proud, in this Parliament, to represent the New Democracy Party which is responsible for our membership of the Community. To a great extent the progress of our people hinges on this membership.

(Applause)

Mr Alexiadis (NI). — *(GR)* At this moment I feel especially proud as a Greek because my country is assuming the Presidency of the Community of the Ten, and I find it impossible to conceal my pleasure, because, as time goes on, the reservations — which the Socialist Government of Greece has voiced about our great joint venture — are being overcome, and we feel sure that ultimately they will disappear altogether.

The programme announced by the new President is very wide-ranging and will prove effective even if carried through only in part. With this in mind he should abandon the finger in every pie mentality

Alexiadis

which often characterizes our assembly and concentrate his attention on essentials. Our anxieties about Namibia and Central America are justified, but the Middle East, arms limitation, Eastern Europe and the employment situation are more urgent problems.

Bosom friends though the Arabs are without a doubt, and Arafat, beaten from within, most picturesque, the factor of Israel should not be ignored. I think that the mediatory role of Greece would make headway if, now that it has the Presidency of the Community, it were to coordinate its efforts with those of the other partners in this respect also.

In concluding these few reflections I would like to register my confidence that the new Presidency will carry out its duties with total dedication and rectitude, in such a manner that when, in six months time, it hands over the mace of office to its successor, it will have won general recognition for the work it has done.

So good luck to you, Mr President-in-Office.

(Applause)

Mr Plaskovitis (S). — *(GR)* Mr President, ladies and gentlemen, there has been a general expression of trust in the Greek Presidency and as regards the statement made today by the Greek Foreign Minister.

To this we would like to add our own special pleasure and satisfaction with the new spirit in which, as we have perceived, the Greek Presidency intends to go about tackling the European problems. After the summit conference in Stuttgart and the communiqué issued there, it would be a veritable commonplace for one to say that the Greek Presidency is occurring at a time which for the Community is utterly crucial. The fact that the very basis of the Community was in jeopardy at this conference — as the Prime Minister of Greece himself commented on his return from Stuttgart — has not escaped us.

Taken as a whole, today's speech by the Greek Foreign Minister renders abundantly clear the extent of the problems inherited by the Greek Presidency, the long delay in the taking of those decisions which would lead progressively to a genuine and tangible form of European unity and not just fine words and utopian concepts. That the crisis in Stuttgart had the effect of confirming for all concerned, albeit at the eleventh hour, that the peoples of the Community are faced with problems of a major and specific kind which need to be tackled in a direct manner, that these problems can be defined and solutions for them worked out, this is the only serious and hopeful thing to come out of the crisis which reached a climax last month.

The assumption of the Presidency consecutively for the whole of the coming year by Socialist governments, first by that of Greece and then by that of

France, permits those of us in PASOK to believe that we shall move steadily towards a different sort of Community, towards a Community shaped to meet the needs of working people, a Community in which the present terrible disparities between the more and less advanced countries and regions will cease to get worse day by day as happens now, and that, through the elaboration of integrated programmes, we shall move towards economic convergence and realistic solidarity in such a way as to enable us not only to talk about but actually build the kind of united Europe which will ultimately, one day, acquire its own policy and voice and not be confined to going along with decisions taken by the United States on all the international problems.

And, with the opportunity given by the speech of the Greek Foreign Minister, it is perhaps necessary today to underline that no one in my country, and no one here either, is gripped by anti-European sentiment — or so I believe, at least. All of us desire a Europe at peace, a Europe resolute in its actions and interventions for the maintenance of detente and for the removal of terror and intimidation from the world. A Europe in which the economically powerful will not call on the most impoverished to confine themselves to following along in the wake of whatever policy they decide is best according to their great interests alone, and not seek to deprive them, moreover, of their last remaining means for defending the interests which are of critical importance for them, and here I am referring specifically to the means given to them by the Luxembourg compromise. Ladies and gentlemen, review of the Community's institutions and treaties presupposes an essential change in attitude. It presupposes a coming together and agreement about what sort of Community we want in the future, about what economic sacrifices we are prepared to accept, about which social objectives we wish to achieve, and how. The PASOK Socialists will be ready and willing to help, according to their abilities, in a sensible and necessary review of the treaties and of the fields of competence and authority of the agencies of the Community when they are convinced that the essential precondition of change, to which I have referred, exists.

Of course, one of the main factors affecting the achievement of the true European Community is the budget which must be rendered capable of responding to the new obligations that will spring unavoidably from the elaboration of the integrated Mediterranean programmes and from the, as we hope, impending, and also absolutely necessary, enlargement of the Community with the entry of Spain and Portugal. The increase of the Community's own resources, in harness with certain logical reforms of Community policy in various sectors, emerges as the first and main requirement. After hearing the Foreign Minister's speech we are glad that the Greek Presidency intends to bring effort to bear on this point with its proposal

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for the adoption of a fairer system of participation in the budget by Member States which will take into account the special problems of the less developed members and also, perhaps, the criterion of per capita national income.

Naturally, the other nine will have to agree on all of this, apart from Greece. The responsibility for finding solutions is shared by all. We believe that the Greek Presidency is prepared to accept its share of the responsibility and to demonstrate all of its good intent in helping to place the Community's present serious problems on the road to solution. Time and, to an extent, the festive air of the debate do not permit me to go into the Foreign Minister's speech point by point.

In finishing I want only to underline the sacred duty — as the President-in-Office described it — of the Greek Presidency vis à vis the Cyprus Republic and as regards the necessity for the Community to undertake such political initiatives as will help to bring the tragedy of the Cypriot people to an end in conformity with the resolutions passed by the United Nations and international law. And I do not omit to remind you that in January of this year a plea concerning the tragic fate of the missing persons in Cyprus was addressed to the Council of Ministers by the European Parliament in the form of an almost unanimous resolution. A plea to which the Council has, unfortunately, not yet responded, despite the fact that the date of 30 June of this year was given in the resolution as a deadline for reply.

Before I finish I would like to make reference to the only discordant note struck during this debate. I endorse the view of Mr Ephremidis that the European Parliament is not the proper place for developing internal inter-party disputes and disagreements over the responsible government policy being pursued in Greece. Consequently, I believe that his clear, albeit indirect, attack on Greek government policy towards the European Community was superfluous and a contradiction of his previous utterance. Aside from this, I consider it extremely heartening that the other Communist parties have placed themselves firmly on the side of the Greek Presidency. Up to a point the same applies to what Mr Bourhias had to say. I too would not wish to import here disputes which may exist between the Greek parties. I would just like to mention the existence of the Greek people and of the trust they have placed in the Greek Government, and to say that it is they who in the end will pass judgement on the doings of the New Democracy Party and on what the PASOK Socialist Government has done and is going to do.

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (*GR*) Mr President, colleagues, I want first to thank all of you for the atten-

tion with which you followed the statement by the Greek Presidency.

It is in the nature of things that I should have failed to mention a great number of points which would have been of interest to many of those present. In the nature of things because in making the statement it was necessary to exercise a degree of restraint and to lay emphasis mainly on those grave issues which are currently the most difficult and important the Greek Presidency is called on to promote.

It has emerged from the debate that all those who have spoken are agreed on one simple fact, namely that there are problems which it has not been possible to solve during previous presidencies, neither during the German Presidency nor during those which preceded it. It is these vital and searching problems, of crucial significance for the future of the Community, which the Greek Presidency, in accordance with the guidelines set out by the heads of government at the European Council in Stuttgart, is now required to work on and to try to find solutions for — if these can be found — in order to enable the heads of government to come to final decisions at the summit conference in Athens in December.

I do not want to be optimistic, nor do I want to be pessimistic. I simply want to make clear, and I believe that all of you agree with this, that it is not easy in the space of six months to find solutions for problems of the sort we are faced with, no matter how much effort is exerted. What I must stress is that during the Greek Presidency we shall, for our part, exert every effort that can be exerted, with the collaboration, of course, of the European Parliament and the Commission, and of the Member States as well, to at least ameliorate some of the Community's grave and crucial problems, to bring them some way forward.

There are so very many problems to which I shall not refer now because I dealt with them extensively in my speech. There will, of course, be an order of precedence for tackling these problems, commencing with the most intractable of them. It must commence with those important and stubborn problems which are at present creating a situation in the Community which we cannot describe as other than difficult in the extreme. Let us not deceive ourselves, the Community is going through a deep crisis. For us to emerge from this crisis requires effort by all and at every level. Of course, I agree with those who go along with my own viewpoint, namely that if balance is to be achieved in the Community no one should cease to be mindful of what we all know the situation to be, of the disparities that exist, of youth unemployment, of the fact that we are facing an enlargement of the Community, of the fact that own resources need to be increased. These problems, and others which are equally serious, will definitely command the attention of the Greek Presidency.

Charalambopoulos

Besides, as you know, it was in this connection that the European Council in Stuttgart arranged for special Councils of the Ministers of Foreign Affairs, of Finance and of Agriculture and, contingently, of other Ministers as well, to be convened in addition to the regular and usual ad hoc meetings. In collaboration with the Commission and the European Parliament these Councils will undertake a lengthy and in-depth examination of the crucial problems, so it would not be an exaggeration if I were to say that at this moment we have it in mind to go ahead with special Councils which I would describe as 'Jumbo', of long duration, that is. So you will appreciate what an additional weight the Greek Presidency is taking on.

I would like to make one or two points, still. It is not feasible to bring the internal politics of Member States into this place — in which two years ago I myself was serving. These are for the sovereign peoples of the states concerned, who judge the performances of governments and parties, and who decide. I think it would be going beyond the spirit which ought to prevail in this House for the European Parliament to occupy itself with matters which are of internal concern to particular states and with circumstances which are judged one way or another by the various parties and political bodies which exist within Member States.

In winding up, Mr President, I would like once more to thank all those who have done me the honour of replying to my speech, and also to comment on something that my dear colleague, Mr Kallias, and, I think, Mr Bournias, said, that I neglected to mention cultural matters, that is. Truly, this was an omission, but that does not mean that this important matter, and others as well, will not be raised during the time of the Greek Presidency. It was not possible in my statement to include other than the main and fundamental problems which concern us, and will continue so to do, but this does not mean that other matters which we consider to be of general interest will not be brought forward during the Greek Presidency.

I do not really need to reiterate what, in my opinion, Mr Plaskovitis very rightly said. I would also like to emphasize the fact that collaboration by the Council of Ministers with the European Parliament and the Commission is essential to the making of progress on the crucial, serious and important problems which lie before us. If this collaboration is sincere and constructive, and if certain partners are ready and prepared in advance to bear certain sacrifices, then it will really be possible for the proposals we are due to present to the heads of Government in Athens in December to lead to decisions. However, I stress that this requires in advance that all the partners show the resolution and will to make the sacrifices they have to make in order for us to make progress with the implementation of the new policies which are essential for the consolida-

tion and the cohesion of the Community and for reducing and getting rid of the disparities.

(Applause)

IN THE CHAIR : MR B. FRIEDRICH

Vice-President

President. — The debate on the statement on the Greek Presidency is closed.

Mr President-in-Office, you have Parliament's best wishes for the term of office of the first Greek Presidency of the Council.

3. *Temporary work*

President. — The next item is the report (Doc. 1-1314/82) by Mr Patterson, on behalf of the Committee on Social Affairs and Employment, on the proposal from the Commission to the Council (Doc. 1-292/82 — COM(82) 155 final) for a directive concerning temporary work.

Mr Patterson (ED), rapporteur. — Mr President, this Commission proposal on temporary work has three stated objectives. The first is to protect temporary workers themselves by ensuring that as far as possible they enjoy the same rights as permanent workers. The second is to protect permanent workers by reducing the misuse of temporary work. The third is to ensure that only sound and reputable businesses engage in supplying temporary workers, especially across national frontiers.

To some extent the proposal is a companion text to that on part-time work which Parliament debated last year with the report by my colleague, Mr Calvez. Indeed, since many temporary workers are also part-time workers and vice versa, the two texts may be said to cover much the same ground. Both originate in the Council resolution of December 1979 concerning the adaptation of working time. When the Committee on Social Affairs and Employment began its discussions on the temporary work text, the first problem we came up against was that of defining temporary work. Indeed, I have to say that this is a problem which is not yet satisfactorily solved. I suspect that Mr Cousté will have something to say on that matter if he contributes.

In its explanatory remarks the Commission says that temporary work is the opposite of permanent work. Now this seems blindingly simple, Mr President, but unfortunately it is not very helpful. The draft directive in fact covers two specific forms of temporary work.

First, there is the supply of temporary workers by an employment business to a user-undertaking, typically, for example, the supply of temporary secretaries. This

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involves a triangular relationship between the business, the employee and the user firm. The second kind is the direct employment of someone for a fixed period or to carry out some specific task like, for example, giving a course of lectures or serving in a shop during the Christmas rush.

Now there are, of course, other forms of temporary work. For example, sub-contracting and the process of lending out. Indeed, one authority on the subject, Professor Towers, who contributed to a monumental study of the subject published by the International Institute for Temporary Work, has stated that the temporary work covered by the Commission's proposals is dwarfed by casual, unorganized non-contractual temporary work. Typically, this kind of work is to be found in agriculture where workers come and go as they wish and the work they do is simply paid as piecework. For example, in the fruit and wine harvests, or in my own constituency, the traditional Kent hop picking. All this makes it extremely difficult to get reliable statistics on the extent of temporary work and, in fact, the Commission has not provided them. For example, there is a much quoted figure in the Commission text that 7 % of workers in the United Kingdom are temporary. When you go into it you find that first of all the survey concerned was conducted as long ago as 1975 and worse, that it defined temporary workers merely as those who replied 'Yes' to the question: Do you regard the job you now have as temporary? This is not the definition in the directive.

Now the absence of statistics, Mr President, is the first major criticism the Committee on Social Affairs and Employment wishes to make. The fact that the Commission has used statistics from the mid-seventies has misled it, to begin with, into talking of increasing recourse to temporary work. Later research in fact shows a sharp decline in line with declining employment in general. For example, in the Netherlands, temporary working rose by 9 % between 1977 and 1979 but since 1980 it has fallen by between 40 % and 50 %.

Nevertheless, the absence of proper statistics does not, in the view of the Committee on Social Affairs and Employment, invalidate the case for a directive on temporary work. I should like to make a number of specific comments on the proposal.

First, we believe that the Commission is quite right recognizing that temporary work is not bad per se; indeed, that it fulfils a valuable economic and social function. Economically, it provides flexibility on the labour market, important in times of industrial change. Indeed, this is specifically recognized in France, as shown in the study of the subject by Mr Cousté where the principle of *précarité* rewards those who provide such flexibility.

Socially, it is clear that temporary working provides jobs, which they would not otherwise have, for many

people who for various reasons are not available for permanent work. In particular, I have received representations from married women who tell me how much they value the availability of temporary part-time work without which most of them would be unemployed.

Finally, I might add that attempts to ban temporary work can in any case lead to very undesirable consequences, namely, that the whole matter is driven underground onto a black-labour market where the worker is mercilessly exploited.

Secondly, the Committee agrees with the Commission that there are abuses in the use of temporary work which must be eliminated. I have to say that there is not much hard evidence in the Commission text as to what these abuses are and this — as Commissioner Richard will know — has led the United Kingdom House of Lords to conclude that the case for a directive has not been made out.

But I also have to say that the House of Lords report itself provides quite a lot of evidence of cross-frontier abuse. For example, there have been several cases of British workers recruited by an illegal Dutch employment business left stranded in Germany without work, social security or the fare home. There is also some uncertainty in the law on the subject. For example, what happens if something goes wrong in the case of a Danish employment business with a branch in Germany arranging with a Dutch user firm the assignment of Italian construction workers to a building site in Paris? — which I understand is a real case.

Whatever else comes out of this Commission proposal therefore, the Social Affairs Committee believes that there is a clear case for Community action in this cross-frontier field, stronger action indeed than the Commission is proposing.

What are the best ways of dealing with these abuses? First, ensuring that all employment businesses are properly authorized in some way is clearly a key factor. This provides protection at the same time for the temporary worker, the user undertaking and the reputable employment business. The Committee on Social Affairs and Employment, however, does not see why the Commission has not provided for common standards of authorization throughout the Community. After all, Article 100 of the EEC Treaty is the main legal basis for this proposal and it is possible that the definition of what is sound or respectable will vary from Member State to Member State. We believe that common standards should be laid down within five years of this directive coming into force which can also mean that a common labour market will be established in accordance with the Treaty. Above all, it will make cross-frontier abuses much more difficult.

Next, there is the question of sanctions. Here I think the Commission's proposals have been much misunderstood. There is no intention, as I understand it, to

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provide a general secondary liability on user firms. Only a liability where a user firm takes on an unauthorized agency. It seems to me in these circumstances that the principle of liability is wholly justified, though the committee would prefer the German legal term '*gesamtschuldig*' to the 'secondary liability' phrase. For example, if I am the manager of a construction firm, various employment businesses might tender to supply me with temporary workers. I might be tempted to go for an unauthorized cheap cowboy outfit. In that case, I have only myself to blame if the firm vanishes, leaving me with the bill for tax and social security. So there should be an obligation to check up on whether businesses are authorized or not and we believe this would be made easier if authorization numbers were printed on all official letters and so on, and I also agree with my colleague Mr Turner that a record of all authorizations should be open to public scrutiny.

Finally, the committee believes that it should be possible to enforce liability across frontiers and we should like to strengthen the Commission text in this regard.

The next question is the best way in which temporary workers may be protected in cases of ordinary legal arrangements. Here the Commission notes that national practice produces two different systems of control. First, a system which broadly gives temporary workers the same social benefits and protection as permanent workers, and secondly a system which restricts the right to take on temporary workers. I have to say first of all that these two systems are not necessarily alternatives. Indeed it is difficult to see how restricting recourse to temporary workers actually helps the temporary workers themselves. Nevertheless, the conclusion of the Committee on Social Affairs and Employment was broadly that the first system is most suitable in the case of employment businesses, the second in the case of workers on fixed term contracts.

In the case of workers employed through employment businesses, the relationship is very complex. The employment business is the legal employer, not the user undertaking, and provided that this employment relationship — which in Germany for example has to be a permanent employment relationship — is the same as for the generality of permanent employees, there is no need to restrict recourse to temporary work. But in the case of fixed term contracts, there is a danger that a series of short-term contracts will be used by an employer to evade social obligations and there was considerable evidence of this. Therefore, control must be exercised over such contracts. The committee believes, however, that rather than draw up lists of where a contract can or cannot be concluded a general formula should be used.

We should like to use the principle of reasonable expectation. That is, to ban such temporary contracts except where it is reasonable to predict that the jobs concerned will only be temporarily available and leave it to the courts to decide whether that principle is being breached or not. On most other matters the committee broadly agrees with the Commission.

There are three or four minor points I would like to make. First, we agree that all temporary workers should have written agreements, but we should like to tighten up on who is responsible for providing them. We agree with Article 5 (4) on the banning of charging by an employment business of a fee should an employee become permanent, but we note that this might actually place temporary workers in an advantageous position in relation to permanent workers. We believe that the pay of temporary workers should be at least equal to the pay of equivalent permanent workers having regard to the principle of '*précarité*'. And we would also wish to exclude shipping from the provisions of the directive.

May I conclude, Mr President, with some personal observations. This Commission text according to reports is having a rough time in the Council of Ministers. The odds being quoted on a directive actually being adopted are bad. Might I suggest that the case for a directive on the cross-frontier aspect of temporary work is very much stronger than on others and, indeed, that the Community has a responsibility to legislate in the field. The Commission should concentrate its arguments and its fire there. Meanwhile I commend the report of the Committee on Social Affairs and Employment to Parliament.

(Applause from the European Democratic Group)

Mrs Desouches (S), draftsman for the opinion of the Committee on Economic and Monetary Affairs. — (FR) Mr President, in its opinion on this directive on temporary work the Committee on Economic and Monetary Affairs emphasized its three concerns, firstly to protect workers, then to refrain from discouraging firms from temporary work, and finally to harmonize.

Workers must be protected in various ways; their pay should be the same for temporary as for permanent work, their social rights should be guaranteed, recruitment and dismissal should be properly regulated. I shall not dwell on these points, others will certainly discuss them at greater length, but the committee did not comment on these points.

On the other hand, the Committee on Economic and Monetary Affairs, very concerned about the problem of employment, believed that recourse to temporary employment was very often necessary for businesses, especially in cases mentioned in the directive, namely, increase in the amount of work, changes in the numbers of workers, especially replacing sick workers,

Desouches

for example. In these cases the business could fall back on the use of temporary staff, and we think it highly desirable that a business should make proper use of new staff, even temporarily, rather than have recourse to overtime, for I think, in view of what the rapporteur has just said, that the biggest danger is not so much recourse to black market labour as recourse to overtime.

Now, if we agree that temporary work cannot replace permanent work for the workers, it seems preferable to attempt to have a better distribution of the existing work and to offer this work to the unemployed rather than to give overtime to people already in employment. This also means that the conditions of recruitment, dismissal and pay for temporary workers should be neither too lax nor too strict. If they are too lax we shall find businesses continually using temporary staff, rather than hiring permanent staff; if they are too strict, we shall find businesses using overtime rather than engaging additional staff.

Finally, although the Committee on Economic and Monetary Affairs believes that the directive will help to level out conditions of competition among EEC businesses using temporary staff, it believes there is nonetheless a gap — and here I firmly support what the rapporteur has just said. The directive leaves it to the Member States to decide on the necessary conditions for granting licences to employment agencies. In other words, the Member States, according to the text, should exchange information, especially where abuse or illegal trans-frontier activities are suspected, and this is very positive; but a Member State can also stop a business which has been granted a licence in another country from practising on its territory. For the directive does not provide for harmonizing the conditions to be met by an employment agency before it is granted a licence.

The Committee on Economic and Monetary Affairs considers these provisions to be unsatisfactory, since they do not prevent distortion of competition, they do not guarantee freedom of establishment for authorized businesses and they are — we must admit — a source of dispute.

The Committee calls for common criteria for the granting of licences to employment agencies and urges the Commission to submit proposals on harmonization.

Mrs Wieczorek-Zeul (S), *draftsman for the opinion of the Committee of Inquiry into the Situation of Women in Europe*. — (DE) Mr President, ladies and gentlemen, one may inquire as to the reasons underlying the involvement of the Committee of Inquiry into the Situation of Women in Europe with this theme. Even allowing for divergences within the Member States, one may say that both categories of temporary work, the supply of workers by an employment agency to a user-undertaking and the direct employment of someone for a fixed period, contain

the hallmarks of a grey area of the employment market which is often not regulated on a contractual basis, thus circumventing social security provisions. We have concluded that temporary work primarily makes use of the largest available source of workers, that is to say, women. Temporary work is, to all intents and purposes, practically non-existent in the traditionally male-dominated professions. One such profession, that of the building industry in the Federal Republic, for example, even managed to work out a flexible scheme under which long-term employment will be guaranteed without having extensive recourse to temporary work. Our committee would like to see the directive under consideration containing a clear commitment to the abandonment of the traditional division of functions between the employed husband and the housewife, and a guarantee of an induction of women into the work process on equal terms. Mr Patterson has given a very tangible example of how such a procedure could be adopted.

Generally speaking, we are of the opinion that temporary work affords little opportunity for such an equitable integration. We welcome the fact that the Committee on Social Affairs and Employment has integrated our criticism of the shortcomings of temporary work into their motion for a resolution. We note, however, that in appraising the directive, an interesting divergence has arisen between the motion for a resolution, as it now stands, and the proposed amendments tabled by the Committee on Social Affairs and Employment, which can probably only be clarified by the rapporteur on the basis of the procedure within that committee. We believe that the motion for a resolution should be suitably adjusted. On the criterion of effective integration into the employment market our committee can give the proposed directive a generally positive vetting.

The demands of our committee may be summarized as follows: firstly, in line with the proposal and critical comments of the rapporteur, Mr Patterson, a differentiated statistical analysis of temporary work in the Member States must be undertaken. Such an analysis must take account of both the quality of the work and the sex of the worker, given that available statistics only contain global reference to such workers and do not distinguish between males and females. We believe that an effective illumination of this grey area is called for, and statistical data is a prerequisite. Estimates on uncertain occupational employment indicate that fully two-thirds of all temporary workers are female.

Secondly, our committee feels that an extension of temporary work would exacerbate the two-tier employment market, to the detriment of women and long-term employment, and in this respect I would allow myself to take issue with the rapporteur's contention that temporary employment represents supplementary employment. There are, on the contrary, far more substantial grounds to support the evidence of an emerging tendency to replace long-term employment

Wieczorek-Zeul

with temporary employment. This would be a very dangerous development. Our committee considers, therefore, that the concept of temporary work must be so clearly enshrined in the directive as to preclude any arbitrary extension thereof; with this aim in mind we have tabled two amendments to the directive, the first of which seeks a more clear-cut elaboration of paragraph 8. Secondly, we wish to incorporate into the directive itself the list of exceptions to the definition of temporary employment (both admissibility for and recourse to) with a view to precluding subsequent arbitrary extension of that list, without the prior approval of this Parliament.

Thirdly, we wish to see the ambiguous measures in the directive clarified, an example of which is Article 3 and its associated provisions. It leaves open the question as to whether temporary workers are to benefit from the social provisions applicable to full-time workers. For both categories of temporary workers we insist on the inclusion of a reference to the effect that the social provisions applicable to them are to be identical to those governing full time workers. We further insist that temporary employment contracts be subject to the approval of public authorities in order to prevent abuse. For a transitional period we would envisage a more comprehensive control than has heretofore been the case.

Finally, and allow me to reiterate this in clear terms, we have resisted attempts, during the deliberation stage, to split the directive into two parts according to the two principal categories of temporary employment. My astonishment is considerable, therefore, when I see that the rapporteur, Mr Patterson, having met with a rejection of such a stance in the Committee of Social Affairs and Employment, has had recourse to the circuitous route of a personal statement in an effort to raise this idea in the debate. I would hope that the deliberations, both of our committee and the Committee on Social Affairs and Employment, have finally buried it once and for all.

Mr Patterson (ED), rapporteur. — On a point of order, Mr President, I have just been accused of changing my mind. It is the tradition of this House that the rapporteur represents the majority on the committee. I represent the majority on the committee as rapporteur. What my personal opinion is has nothing to do with it.

Mr Sieglerschmidt (S), draftsman for the opinion of the Legal Affairs Committee. — (DE) Mr President, ladies and gentlemen, to take up Mr Patterson's interjection and on behalf of the Legal Affairs Committee's rapporteur, our former colleague Mr Poniridis, this provides us with a suitable occasion to apply an expression of Friedrich Schiller to the duties of a rapporteur: 'I have but an office, no opinion'. As rapporteur it is now my duty to convey to the House the opinion of the Legal Affairs Committee.

The Legal Affairs Committee can subscribe to the essentials of the proposal for a directive as originally presented by the Commission. In its passage through the various committees some amendments have been tabled. On behalf of the Legal Affairs Committee I would like to briefly familiarize the House with two such proposed amendments which I deem important and five of secondary importance. Amendment No 86 obviously found its way on to the list of proposed amendments through an oversight on someone's part. I would like to reject this amendment on behalf of the Legal Affairs Committee. It is in fact no more than the Greek language version of Article 5, paragraph 4.

The Legal Affairs Committee tabled Amendment No 87, which aims to replace Article 6 with a new version. A considerable degree of unanimity prevailed in the Legal Affairs Committee on the necessity of replacing the Commission's proposed Article 6 with a much less ambiguous text. Although somewhat complex, the Legal Affairs Committee feels it to be that much more precise. As for the determination of temporary employment remuneration, there can be no denying that the Committee on Social Affairs and Employment has certainly shown the way in their Amendment No 13. On this matter the Legal Affairs Committee was forced to strike a compromise.

The Legal Affairs Committee also tabled Amendment No 88 to Article 8. The aim of the proposed amendment is that of shedding more light on the regulations governing temporary work, in that it envisages, for example, the familiarization in the workplace, of temporary workers and all the parties involved, with such regulations.

The Legal Affairs Committee also tabled Amendment No 90, which aims to include several additional items under the provisions governing the exchange of information. I see them as in no way controversial. Amendment No 36 to Article 23 of the Commission directive also emanates from our committee and aims to ensure that the report which is to be presented by the Commission should be forwarded to Parliament, in addition to the Council, as this House has just as much, if not more, interest in this theme. Both of the other proposed amendments were the subject of controversy within the Legal Affairs Committee during which the views of both rapporteurs, Mr Poniridis and myself, were overruled.

In cases where the rapporteur finds himself advocating a minority view I would kindly request both the secretariat of the relevant committee and the sessional services to simply indicate the report as being presented on behalf of the committee concerned, and to omit the name of the minority rapporteur. A further example of this has recently come to light, and it gives a completely false picture.

To begin with, the Legal Affairs Committee would like to delete Article 11 of the Commission directive

Sieglerschmidt

guaranteeing the right to strike. The Legal Affairs Committee justifies its action in the following terms: 'Members States' legal provisions governing the right to strike reveal wide disparities. Civil service employees provide a very good example of this. In the absence of prior harmonization of Member State legal provisions, the measures envisaged in Articles 11 and 21 of the Commission directive would be disproportionate and would have varying effects in the individual Member States'.

Furthermore, in tabling Amendment No 35, the Legal Affairs Committee aims to completely delete that section of the Commission directive dealing with fixed-term employment. The intention is, therefore, to make a clean sweep of such provisions and, with your permission, I should like to inform the House of our Committee's reasoning: 'The provisions governing temporary employment contracts, as contained in Articles 15 to 21 of the Committee directive, would, if applied, be tantamount to a substantial interference in the free bargaining position of industry and labour representatives in some of the Member States. The Legal Affairs Committee takes the view that the application to temporary workers of the same social benefits as those enjoyed by full-time workers would be inappropriate. Furthermore, the proposals fail to take account of the advantages bestowed by temporary employment contracts, especially those running for a number of years, and in times of uncertainty on the employment market. Such were the recommendations of the Legal Affairs Committee.'

Mr Van Minnen (S). — *(NL)* I will begin by saying that the Socialist Group believes there is no disputing that this directive proposed by the Commission governs something which should not really exist. Employment is, after all, too costly an item for it to be traded privately. Employment is too scarce an item for private individuals to be allowed to try and make a profit out of it. Placement should be the responsibility of the public authorities. That is the Socialist Group's premise, Mr President.

But the fact remains — and this is the subject we have to discuss this morning — that all kinds of temporary work are available, that employment agencies are shooting out of the ground like mushrooms, at least where the soil is not too polluted to stop them growing. The fact is that we have more and more temporary employment businesses and user undertakings. And the fact is that they are profiting from a gap in the market that is due to the surpluses on the labour market. If we are to have the free labour market the Community says it wants in the Member States, we certainly have an obligation to introduce an ad hoc arrangement throughout the Community for this uncontrolled growth on the labour market.

The increase in temporary work we are now witnessing at this time of enormous unemployment, and we do not unfortunately know how long the trade

cycle causing this unemployment will last, the increase in temporary work means that, as long as the supporters of temporary employment businesses use such terms as 'flexibility' and 'important economic function' in their arguments, we must call for the strictest possible public control of the type advocated by the Patterson report and the Committee on Social Affairs and Employment. We assume at least that the amendments proposed by the committee will be incorporated in the proposal.

Control by the authorities means in this instance control by an efficient Ministry of Social Affairs. A strict authorization system like the one we have in the Netherlands is surely the least we can expect. The management of user undertakings — a dreadful expression, Mr President, but I am not responsible for such linguistic atrocities: user undertakings are undertakings that use the services of temporary employment businesses — must inform the employees' representatives when it wants to hire temporary workers. And, let there be no doubt about it, except when a secretary goes sick on a Monday morning, temporary work must be done by temporary employees. If it forms part of planned production, it must be approved by an elected works council.

Finally, Mr President, the flexibility to which temporary employment businesses are so fond of referring must not result in indefinite assignments which is how some people would like to interpret the word 'flexibility'. If we are not careful about strict time limits, we shall have the secondary labour market against which the Socialist Group wishes to issue a clear warning. We believe that temporary workers must be carefully integrated into our social system, our system of legal security, our system of collective agreements. We believe that temporary employment businesses must not be allowed to undermine the labour market, and we believe that a European directive can be effective in this respect until such time as temporary employment businesses die out again, like the mushrooms, simply for lack of anything to feed on.

Mrs Maij-Weggen (PPE). — *(NL)* Mr President, with the support of my group the European Parliament has on three occasions called for a European directive to give temporary workers legal protection: on 11 February 1981, in a resolution on the position of women in the Community, on 12 October 1981, in a resolution on the adjustment of working hours, and recently, in April 1983, during the debate in Brussels on the fight against unemployment.

It is no coincidence, Mr President, that parliamentary pressure for an improvement in the protection of temporary workers and for the harmonization of the Member States' relevant legislation is increasing. Temporary work may, of course, be in the employee's interests. Some workers take very deliberate advantage of temporary work and only look for temporary jobs.

Maij-Weggen

But it is increasingly becoming a form of work that workers who want a permanent job have to put up with because they prefer it to unemployment. In some Member States this does not cause many problems because the legal position of temporary workers is scarcely different from that of permanent workers. This is true of the Netherlands, Belgium and the Federal Republic of Germany. In most Member States, however, this is not the case, and as a result the position of increasing numbers of workers is becoming very vulnerable, especially when they are forced to take temporary work because they prefer it to being unemployed. Their wages are often relatively low, and their social security is also very limited. And we are not talking about a marginal group, we are talking about a group that fluctuates between 5 and 10 % of the European labour force, in other words, millions of European citizens.

Apart from these legislative aspects, I should like to refer to another factor that points to the need for this directive. I have already said that the legislation governing the position of temporary workers is good in some Member States and not so good in others. But the fact that temporary workers are given the same protection as permanent workers in one country but are in an inferior legal position in another results not only in large numbers of workers being in a vulnerable position but also in distortions of competition among undertakings in the various Member States. In view of the fierce competition in certain industries at present, we consider this to be dangerous and objectionable. Thus, considering the need both for large numbers of employees to be afforded legal protection and for fair competition, my group fully endorses this directive. That is not to say, Mr President, that we agree with everything it contains. We voiced various criticisms in the Committee on Social Affairs and Employment, which adopted a number of the amendments we proposed.

Firstly, we find the directive far too detailed. It is an excellent thing for the legal position of temporary workers to be put on a par with that of permanent workers, but this must be done — especially where a European directive is concerned — with a global arrangement, not with an unnecessary detailed one. Otherwise, we shall be encroaching on the area for which the social partners with their collective agreements are responsible, and the directive will then fail to achieve its objective.

The Committee on Social Affairs and Employment agreed to almost all the amendments we proposed to make the directive more general, and we ask Parliament to approve these amendments.

A second criticism I have to make concerns the harmonization of legislation on temporary employment businesses, a subject that is discussed in a separate section of this directive. In itself such harmonization is an excellent thing, but solutions still have to be found to two major problems, to which,

rapporteurs on various sides have already referred. There is the problem of harmonizing the authorization system and the problem of illegal temporary employment. As regards the first of these problems, the Committee on Social Affairs and Employment calls for a solution to be found within two years, and I believe, Mr President — and I say this to the Commissioner too — that this is an important request and indeed an urgent requirement. The problem of illegal temporary work, on the other hand, is not being dealt with satisfactorily, and that is very discouraging. At a later stage the Commission might perhaps make a thorough study of this unfortunate type of temporary work, especially where it is transfrontier, and come forward with another directive to cover this area.

To summarize, I can say that my group will support almost all the amendments proposed by the Committee on Social Affairs and Employment and approve the directive so amended. I cannot say the same of the resolution, however. It is in fact inconsistent with many of the amendments proposed to the directive. This is the result of votes being taken on the two documents in committee at different times and by different majorities. Neither the rapporteur, who has presented an excellent document, nor my group is to blame for this inconsistency. But we have taken the trouble to table various amendments to the resolution with the object of making the two documents match and not giving the Council the impression that we are inconsistent and speaking with two mouths. We call on the other groups to approve these amendments so that at the end of the day we may have a consistent report..

Mr President, just one more comment to conclude. This directive is designed to improve the legal position of temporary workers, who fluctuate considerably in number between 5 and 10 million. They do not, however, form a cross-section of the labour force. The proportion of young people and women is very high. In other words, this directive will give these two categories great support. My group regards this as a third and perhaps the most important reason for wholeheartedly approving of this directive.

Mr Tuckman (ED). — Mr President first let me declare an interest in these matters. Second, I would like not so much to make a prepared speech as to react to what has been said. Having heard the speech from the Socialist Group, I must say that it is the very attitude towards the question of employment and of how industry and commerce work that I find worrying here. The underlying attitude seems to be that there are a number of jobs which are available, which will be done somehow; the whole question of whether or not there will actually be work is never entertained. In actual fact, of course, we have a situation of substantial unemployment, and there are entrepreneurs — ones known to me in several countries — who do have to think hard before they decide whether or not they will open up another job. If you think that

Tuckman

you could take the alternate route of hoping that somewhere out of the civil service you will get those sort of initiatives, I would have said that that was extremely doubtful.

Referring to what Mrs Maij-Weggen has said from the EPP benches, I really do doubt — from all that I have seen and heard — this figure of 10% to 15% for people employed in temporary jobs. I do not think there are that many, but, of course, one of our great difficulties in this field is that we do not know. Now there is one preposterous suggestion which was made to the House of Lords by an official of the Commission. The suggestion was that in order to know it would be nice to put up certain of these proposals so that we will know, as a result of which we will have more restrictions on employment. I would have said that that really is putting the cart before the horse, and I have never yet heard of a cart pulling a horse. Of course maybe that particular thing was going downhill.

Mr President I find myself in the situation where it is a very hot day and I am asked to put on a really heavy coat. I can do without that coat. I can do without this directive. I accept that there are certain situations where — especially in the cross-frontier situation in that lovely example which Mr Patterson gave in his very competent rapporteur's speech, that example of many people being involved from many countries — there may be a case for some regulation. But the basic point which came out so strongly in Mr van Minnen's speech, namely, that what is really aimed at is a reduction in this sector, is I think, an error. So I shall spend the bulk of my time in explaining why I think this is so important. That may not be a political speech, but I think that if we are going to discuss this with any sense, this is what it is all about.

First of all, the small business sector, which uses these temporary jobs to a very large extent, oils the wheels, provides the new jobs and therefore should be supported. Secondly, you must look at the reality of it. Very often you have temporary people because someone is ill or someone is away or, in today's Europe, because the woman, now heavily involved in the working situation, has a child. A lot of the talk in the directive is of three months and six months, but — certainly in the UK — the absence to which a woman is entitled for maternity leave is more than six months. So are we now going to suggest that we are consecutively to train two people to do that filling-in job while the lady is away? Does that make sense? Does that help the employer? Does it help the employment situation? I think it makes no sense at all.

The Council — not just at Stuttgart but quite consistently now — has been saying that the thing that worries it most — I hope after the atom bomb — is unemployment. Well, in that case, surely the thing to

do is to make sure that we get a small market which can provide jobs right, rather than go and make it even more difficult.

Then we come to the employee himself. First of all, there are some who by temperament prefer, either altogether or for periods of their lives, to be in these temporary jobs. I have certainly met a number of people who either like to move around or who know that when they are in an interview situation, it is very artificial; they prefer to have tried out a firm before they decide where they want to stay permanently. The same thing applies from the other angle. For the employer it is very often helpful to have worked with someone before deciding whether it is to become a matter of permanency.

In that very first speech from the Committee on Economic and Monetary Affairs the lady from the Socialist benches made a very important case. Her main plea was that the temporary employee should be given the same pay as the permanent employee. This is utter nonsense. It all depends on why you have asked the temporary to come in. There may be situations where you have no job for a highly qualified person and you ask them to come and you have to pay a premium, because you only want them for two weeks or two months or whatever the period might be. There are other situations where you do not have the trained people in house, where you have to make do with unqualified, untrained people. They will still give you some service needing very much more supervision, and then you will go for a relatively cheaper hour of labour. But to go and make a blanket philosophical plea for equality is complete nonsense. It has nothing to do with the situation we are trying to meet, unless, of course, you are trying to bring about some kind of monopoly set-up where you want to make quite certain that those in jobs keep them and leave everybody standing outside. We do know that in the employment of the EEC itself there are a number of situations where cheaper and, as far as I can tell, equally competent labour is available at lower prices, I am not advocating it, but that is probably one of the fears behind this whole rather special pleading.

In this whole field the question of supply and demand is what we are really concerned with. My understanding is that the field with which we are concerned comprises even less than 1% of the population. To go and clog it up makes no sense.

I have one special point on the amendments Article 5 (4), which prohibits a supplying organization from charging a fee when the temporary contract is turned into a permanent contract, makes no sense at all in my country. It is an ordinary commercial arrangement whereby you know beforehand that I have hired from you a temporary; if I now wish to turn that into a permanency, why not? But there should be some fee. After all the temporary person is no longer available to the agency to hire out in the next place.

Tuckman

In summary, coming back to my example of the coat, I am asking, on this very hot day and just before lunch, Mr President, that we should not have this coat wished on us. We do not need it. It is quite unnecessary, and my group will, I hope, vote against the directive.

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

IN THE CHAIR : MRS DE MARCH

Vice-President

4. *Setting up of a committee of inquiry*

Mr Nyborg (DEP), *chairman of the Committee on the Rules of Procedure and Petitions*. — (DA) Madam President, I ask you to reject the motion for an amendment, which has been tabled by 10 Members. The amendment must be declared unacceptable since it has quite clearly been tabled in order to set aside the possibility available under the Rules of Procedure to set up a committee of inquiry. If the proposed amendment were accepted, it would prevent the setting up of a committee of inquiry and would mean that the matter could only be dealt with by the normal committee.

President. — Mr Nyborg, you are right with regard to the second part of the amendment, but not the first part. Rule 92 (2) provides that 'amendments to the proposals of the Bureau shall be admissible only if they are tabled by at least ten Members. Parliament shall vote on such amendments by secret ballot'. That is what the Rules of Procedure say. The Bureau has proposed that the committee should have nine members, and we shall have to vote on this twofold proposal.

Mr Sieglerschmidt (S). — (DE) I do not intend to speak on the first part of the proposal but rather to confine my remarks to the contention of the chairman of the Committee on the Rules of Procedure and Petitions to the effect that the second part of the proposal is inadmissible.

Mr Sherlock (ED). — Madam President, your proposal is the only thing I intend to address myself to at this moment and that is to take totally separate from any other observation a pure matter of numbers.

One of the prime legs of my proposition — one of the points upon which it might stand or fall — is that if the committee of 27 constitutes itself the proper body, then the cost would be reduced far less than if only 9 Members were involved in that — at the beginning or at the end of each of its regular sessions — it could constitute itself as the committee of inquiry,

thereby paying no extra *per diems*, thereby paying no extra transport charges. So that what, if you put it simply and starkly, might look like an invitation to spend the expenses of 27 Members — three times the number of nine which has been proposed — is, in fact, an infinitely cheaper, more economical and, in my opinion, more expeditious way of tackling this problem.

Mrs Weber (S). — (DE) Madam President, I believe Mr Sherlock is using a flawed reasoning. In conformity with Rule 95 of our Rules of Procedure, Parliament is empowered to set up a committee of inquiry at the request of one-quarter of its members. So much for the legal aspect. The second aspect is the subject matter. I consider it the height of folly that such a committee of inquiry be composed exclusively of members of the Committee on the Environment, Public Health and Consumer Protection when the proposal itself clearly identifies the matter to be investigated as having institutional, legal and environmental, to name but a few, ramifications.

I therefore consider it inadmissible to reduce the scope of such a committee of inquiry to purely environmental aspects. In addition, I feel the other Members of this house should be afforded the opportunity of participating in the deliberations of this committee. I flatly reject the idea of increasing the number of committee members to 27, for I consider that the sheer weight of numbers would hinder its effectiveness. Such committee work should be rapid and effective. With this in mind I consider that its number must be maintained at 9.

(Applause)

President. — The position on this whole matter is quite clear. The Bureau has proposed that there should be nine members; ten Members have tabled an amendment to the effect that there should be 27 members. I must therefore consult the House in plenary sitting. We shall now vote on the matter by secret ballot. Subsequently it will be for the Bureau to submit proposals on the names of the members in question.

Mr Sherlock (ED). — Madam President, if you are going to put this to the vote and this is going to end the matter, I must express my view that this committee of 27 members with adequate cross-representation in transport and legal affairs is perfectly competent. I must protest if you intend merely to put this as an issue between 9 and 27. It is between 9 and 27 specified members — the members of the Committee on the Environment, Public Health and Consumer Protection.

Mr Collins (S), *chairman of the Committee on the Environment, Public Health and Consumer Protection*. — First of all, I would like to ask whether or not the Bureau in arriving at its decision had a mind to the findings of the Prout report agreed by this Parliament last autumn. Because in paragraph 12 (a) of the

¹ Motions for resolutions (Rule 49): see Minutes.

Collins

Prout report we read and I quote: 'The competencies of a committee of inquiry shall be limited to investigating specific matters for which a standing committee is not equipped. That is to say, either because of its size, or workload or for which no existing standing committee is competent because the investigation of a specific matter is not covered by the competencies of the existing committees as decided by Parliament on the basis of Rule 91.' — 'Therefore' says the report — 'a committee of inquiry should be dealing exclusively with the investigation of a specific matter without being concerned with opinions or amendments on general subjects.'

I should like to know whether the Bureau had a mind to the Prout report when it made its recommendation. I should be grateful for an answer to that before I make any further observations.

Mr Sieglerschmidt (S). — (DE) Madam President, I had originally decided to forego my right to speak, but I was unaware that several speakers had addressed themselves to the issue on which I was to speak, the last of whom was the chairman of the relevant committee. I must stress that he spoke in his capacity as member of this House and not as committee chairman.

(Applause)

I would like to deal with the questions which Mr Sherlock has grouped together. There is no denying a certain logic when he says that 27 members should be taken to mean 27 members of the Committee on the Environment, Public Health and Consumer Protection. The second part of the proposal which Mr Sherlock raised in the discussion is, I feel, inadmissible, for you may say what you like about the Prout report but the fact remains that the right to establish a committee of inquiry is a minority right ...

(Applause)

... and does not mean that the relevant committee will be established as a matter of course; Article 95, paragraph 1, is quite clear on this. It states: '... without previously referring the request to committee...'. What kind of logic would such a stipulation have if it subsequently transpired that the relevant committee and the committee of inquiry were to be one and the same? No, I'm afraid the rights of the Members of this House, who requested such a committee of inquiry, would be seriously infringed if Mr Sherlock's request were to be approved.

(Applause)

Vote¹

5. Temporary work (continuation)

President. — The next item is the continuation of the debate on Mr Patterson's report (Doc. 1-1314/82).

Mr Frischmann (COM). — (FR) Madam President, the French Communists and Allies believe that it is in the context of worsening unemployment that the most varied forms of temporary work develop in a disquieting manner. We are even witnessing a dangerous and unhealthy situation which makes it urgent to take national and Community measures to halt this process. While maintaining our belief that the basic solution is to be found in combating unemployment and substantially reducing working time, we are prepared to support any proposal, any initiative aimed at keeping temporary work under control.

Now, a careful study of the Commission document shows us that this proposal, based on Articles 100 and 117 of the Treaty, is really a minimum. This proposal would not affect France, for example, for the guarantees offered in France to temporary and permanent workers under the regulations of 5 February 1982 are very much better than those proposed by the Commission. This is a far cry from the principle of harmonising social legislation from the top, a harmonisation laid down in the Treaty of Rome and taken up in the proposal for a directive. A particular weakness we see concerns the payment and social protection of temporary workers. Similarly there are so many restrictions attached to the use itself of temporary staff that the effectiveness of this opportunity is drastically reduced. And in the motion for a resolution in Mr Patterson's report we regret that not a single paragraph mentions the circumstances under which temporary work has developed nor stresses the absolute need to put a stop to its further development. As for abuses, they are touched upon in a marginal way.

We have therefore tabled several amendments to the proposal for a directive and the motion for a resolution. We think the best guarantee is to inform and consult the workers in undertakings which use temporary labour. Secondly, in order to guarantee total freedom and the genuinely voluntary nature of temporary work we propose that facilitating access to permanent employment should lead to a reduction in the duration of work. And finally, we call on all the Member States to take legislative and regulatory measures to ensure unity of management of the labour market, under the exclusive responsibility of public bodies. The fate of our amendments will decide the way we shall vote on the final issue.

Mr Calvez (L). — (FR) Madam President, ladies and gentlemen, when we studied the text of the Commission proposal to the Council on a directive on temporary employment we wondered about the timing of such a directive as attitudes to temporary work differ considerably from one country to another; Italy and Greece do not recognise the status of such workers. And it is very difficult, as this morning's debate has shown, to get accurate statistics on the

¹ See Minutes.

Calvez

number of temporary employment agencies in the Member States or on the number of workers concerned. Are they on the increase today, and in what proportions? I share our rapporteur's comments on the Commission's figures and also those of previous speakers.

In France alone between 1977 and 1980 the number of businesses engaging part of their staff on temporary contracts rose from 12% to 27%. The number of temporary workers rose by nearly 50%. It would be interesting to investigate the reasons.

In 1980 temporary staff in industry represented 5.3% of unqualified workers, 2% of qualified workers and 1% of white-collar workers, and we are pleased that the Commission has recognised this new fact in trying to improve the status of temporary workers.

It is noteworthy, however, that the Commission is in favour of clear-cut rules for drawing up work contracts and also recommends measures to avoid segregation in the use of collective social agreements in the user undertaking. We must try to ensure that the status of temporary workers does not exclude them from the wider community of the world of work. In all honesty we must recognise the fact that temporary employment plays a very considerable economic role. It means that firms can call on staff for a limited period when their workload increases. It is also of interest to men and women who voluntarily choose this kind of job.

Over-rigid rules would halt the development of this kind of work.

We must improve the content of the directive the aims of which are very limited, as too restrictive a regulation would act as a brake on the development of undertakings. Mention has been made of abuses. That is true, abuses exist, and we in this far from perfect world must do everything possible to eliminate them, but texts are only as good as the persons who apply them. And to avoid abuses the motion for a resolution suggests that the representatives of the workers should have the right to monitor the recruitment of temporary workers in the undertaking. As in other areas of modern life the workers want more and more involvement. It is important that the staff should be aware of and interested in the results of the business, and by explaining things to the staff and the reasons for doing certain things and by allowing the staff to express an opinion one creates an environment much more conducive to social peace and the smooth running of the business.

In conclusion I would say that we share the Commission's aims to guarantee the serious nature and good quality of temporary employment agencies, to stamp out existing abuses, to guarantee social protection of the workers, but we would suggest that a certain flexibility is necessary, such as leaving it up to the Member States — in the present situation, I might add — to decide on the necessary criteria for granting

a licence to start a temporary employment agency. The proposal is only for a fairly limited harmonisation of national legislations in force, it should encourage equal competition within the Community, smooth out the differences between workers in the Member States and also improve the necessary supervision of this kind of work.

We take note of the Commission's concern to protect permanent employment and after the vote on the amendments we will decide on the motion for resolution presented by our colleague Mr Patterson, whom I would like to congratulate on his report.

Mr Vié (DEP). — (*FR*) Madam President, ladies and gentlemen, the report presented by our colleague Mr Patterson is a very fine one, but the subject it deals with, in my opinion, is not. The proposed directive is first of all fairly useless because the social conscience of the Member States of the Community is sufficiently developed for any abuses of any institution to be checked and in practice the measures contained in the directive fall very far short of what each Member State provides for by way of monitoring temporary agencies. The justification for the directive is also weak because distortion of competition is a feeble pretext. And worse; we cannot see the wood for the trees. There are infinitely more serious distortions in the divergent economic policies of the Member States. It is more serious for the common market that whole sections of the economy here and there should be nationalized which inevitably leads to deficits, then subsidies to cover losses, which means that selling prices are unreal and create even more serious distortions with regard to other countries. What is important for the Community is for it to concentrate all its efforts on promoting and encouraging conditions of freedom, and not on monitoring possible abuses like a policeman and on issuing summonses.

The Commission's initiative springs from a technocratic spirit, and I am not using technocratic in the pejorative sense. We need highly experienced technicians, but what we need above all is not work monitors but managers who create jobs. In this modern world freedom of enterprise means continual new methods, new initiatives to make progress. One gets the impression that the overriding spirit in this debate is not to encourage this free research but to examine how this freedom could one day be misused and abused. This excess of legalism could well kill off freedom, and without freedom we shall never be able to solve the dramatic economic problems facing us.

There is no question, believe me, of returning to a *laisser-faire* attitude, a *laisser-aller* of unhappy memories, and you know that my political group has made worker participation a key word in its economic policy. But in our countries, the political and trade

Vié

union forces are strong enough to make sure that social justice is respected as carefully as possible and there is no need for directives for that. Our top Community priority is to harmonize the conditions of freedom of enterprise which, as I said, is the sole creator of employment.

Despite the unfavourable opinion I have just delivered on this directive, we did not want to be totally negative; hence we have tried with our amendments to improve what we thought was most in need of change. We put our trust in Parliament to support them and to prevent an additional restraint being placed on our economy which because of regulations — well-meaning ones, I do admit — nonetheless runs the risk of being smothered by those self-same regulations.

Mr Eisma (NI). — *(NL)* Madam President, temporary work is very important at this time of high unemployment. If satisfactory provision is made for the social and other rights of temporary workers, we are in favour of this type of employment. Unlike the Socialists, we do not therefore have any objections in principle to temporary employment or temporary employment businesses.

Two important objectives are achieved with temporary employment. They concern emancipation and the distribution of work. Temporary jobs provide an opening for those who want to go back to work after bringing up the children for a number of years. The temporary nature of the work enables it to be combined with other tasks. This form of employment is also very suitable for young people who cannot or do not want to find permanent paid jobs. It gives them some experience of work and enables them to get used to employment. But temporary work is particularly important because it is an approach to a situation in which we do not have full employment. The structural nature of unemployment means that full-time work will not be available for everyone in the future. We must therefore safeguard this type of employment in the future as a means of promoting the redistribution of work.

Temporary employment has decreased recently because an excessively large workforce and the decline in absenteeism due to illness mean that there has been less need to replace employees when they are ill or on holiday and to take on extra staff to cope with peak or unusual workloads.

We are therefore in favour of a minimum of restrictions and authorization provisions, such as the limit on the period for which a person may be temporarily employed. Restrictive measures will reduce the amount of employment found through temporary employment businesses, with no compensation in the shape of permanent jobs offered by employers.

To ensure that this situation does not arise, we have tabled an amendment seeking the liberalization of the length of assignments and an amendment which

would make for greater flexibility as regards the time at which the user undertaking must inform its employees' representatives of its intention to take on temporary workers.

Madam President, temporary employment should be permitted in all ten Member States of the Community. It is prohibited in Italy, and in Greece — which has the Presidency of the Council for the next six months — there is in effect a ban on temporary employment. We appeal to the other eight Member States to try to convince their Italian and Greek colleagues of the importance of temporary employment when they discuss this directive.

I conclude, Madam President, by expressing the hope that this European directive, which is principally needed to govern transfrontier temporary employment and to harmonize safeguards for the legal position of temporary workers, will be adopted soon. It will benefit school-leavers, the unemployed and housewives.

Mr Fich (S). — *(DA)* Madam President, I should like to make some comments on the Commission's proposal for a directive on temporary work.

To begin with, I would stress that the directive deals with a major problem and a serious one, which of course varies from one country to another but is serious everywhere. I should like to state my agreement with the Commission in its aim to limit the extent of temporary work and to give those employed in such circumstances reasonable working conditions. But at the same time I must say that there are some critical problems arising from the proposed directive in that, by the very fact of issuing a directive, we legalize or at least accept something which really should not exist. We accept the existence of something which is not a permanent contract of employment and we accept — this is perhaps the worst aspect — that money can be made by employment brokerage, that work procurement is not the sole concern of public bodies and the trade unions, but that money can be made by employment businesses through the supply of labour. I consider that kind of thing to be fundamentally wrong. But of course I do not want to blind myself to realities and, since both employment agencies and temporary employment now exist, it is clear that we must view the directive in that light. But here I think the directive offers scope for the extension of employment agency activities to fields in which they have not previously operated. I also think that the idea embodied in the directive that agreements should be concluded between the agencies and the employees takes us on to a slippery slope, since we on the contrary think that agreements should be concluded between the employees and the firms in which they work. We are involving ourselves here in labour market policy, and that is something in which I feel the Community should not interfere.

Fich

Let me therefore say that, for us to accept this proposed directive, every country should be able to limit the activities of these employment businesses and, possibly, ban them altogether. Even employment agencies which are accepted in other countries must not automatically have the right to operate in all the Community countries. Similarly the various passages concerning agreements between workers on the books of the employment agencies and the agencies must be deleted.

Finally, therefore, I think that this is an important field. If the amendments we have tabled are accepted, we can go along with the draft directive. We also think that it will be to the advantage of workers in certain countries. But if the amendments we have tabled are not accepted, then clearly and for obvious reasons we must do what we can to block the directive.

Mr Chanterie (PPE). — *(NL)* Madam President, ladies and gentlemen, the economic crisis that has now lasted almost ten years has left the public generally uncertain about the present and about the future. The workers and above all the ten million unemployed in the European Community are clearly the most frequent victims in this situation. But even those who have work are living in considerable uncertainty. It cannot be denied that undertakings want to reduce their personnel costs as far as possible and that there is a tendency to try to do away with social achievements. For all these reasons it is a good thing that the European Parliament is now discussing the proposal for a directive on temporary employment, because there are a great number of abuses to be remedied in this sector. In the PPE we believe the first thing to be done is to protect the estimated seven million workers who suffer many disadvantages in this form of work because they are frequently not covered by the legislation or the collective agreements that apply to permanent workers.

The proposed directive consists of two parts: on the one hand, temporary work found through temporary employment businesses and, on the other, temporary work under a contract of employment of limited duration. I consider the Legal Affairs Committee's proposal that the second part should be removed to be completely wrong. That would result in discrimination against workers who are employed on a temporary basis, due entirely to the type of contract they hold, either with a temporary employment business or with the employer himself.

The protection of workers and the harmonization of legislation are the goals of this directive — protection in the areas of pay, employment contracts and social security, with the object of putting them on a par with permanent workers. Together with efficient checks on what is a non-permanent relationship, this will provide the best guarantee against the tendency for

permanent jobs to be done by a succession of temporary workers.

As regards Community legislation, I strongly emphasize the need for the establishment at European level of criteria to be satisfied by temporary employment businesses before they receive authorization. This in itself will provide the means of effectively tackling the problem of illegal employment businesses. Undertakings which continue to use such employment businesses should therefore be made severally liable for all obligations towards the temporary worker.

I should also like to make a particular reference to the importance of this directive for seasonal work, specifically in agriculture and the catering trade. These sectors obviously have seasonal needs, which they must meet with temporary workers. But we all know of the many abuses that occur in the catering sector, for example, during the holiday months. This directive must provide the legal means of combating most of these abuses.

Finally, Madam President, the institutions of the European Community should also apply the principles they dictate to the Member States. The explanatory statement refers to a number of provisions designed to protect permanent work against the excessive use of temporary labour. Can Commissioner Richard give Parliament an assurance that the Commission will apply to its own personnel policy what it proposes in this directive. If I am correctly informed, it tends to prefer to take on temporary employees for posts which are of a permanent nature, especially where the interpreters are concerned. And I believe, Madam President, that the same goes for this Parliament. With these reservations, we shall therefore give this directive our support.

Mr Tyrrell (ED). — Madam President, a number of Members have spoken in this debate on the basis that we are dealing with one directive, whereas in fact we are dealing with two directives masquerading as one directive. I can see no logical connection between the first part of this directive and the second. The first part, capable of dealing with trans-frontier workers, covers what is a legitimate area for Community activity for the reasons Mr Patterson gave this morning. The second part, however, deals with fixed term contracts, which cannot, in my view, be regarded as a fitting purpose for Community activity.

I can see no evidence anywhere to show that the provisions in the second part would have any effect on the functioning of the common market, whether direct or indirect, and I should be most grateful if the Commission, when replying to this debate, would tell us how they put their case on that crucial matter.

Be that as it may, there is only one practical test to be applied to the second part of this directive — namely, Section 4 — and that is whether it helps to create jobs. Mr Van Minnen put this question, so did Mr

Tyrrell

Chanterie, but neither, in my view, answered it : they proceeded to an assertion without filling in any argument. The view of the Legal Affairs Committee was that this would not help to create jobs. The Legal Affairs Committee thought it was confusing and likely to lead to impracticality and that it would have the opposite effect and would in fact hinder the creation of jobs.

Now, this is particularly so in the case of small businesses. A small businessman whose business looks as if it might be capable of expansion does need to know what his liabilities are going to be if he takes on more employees. If he is uncertain about that, he will not take the risk. As is so often the case, the Commission has given no sign that they have considered the special problems of small businesses when considering the proposals for legislation here. They will be hampered, as will certain employees.

Furthermore, there is no logic in classifying together workers of such different types in one section of this directive, because Section 4 deals not only with the skilled man whose expertise is required for a specific purpose for a limited period but also, as I read it, with casual employees taken on for an hour or for a week at a time. Each of these categories will find their work prospects hampered if these proposals go through. Both are ensnared by this legislation. It is misconceived, and I do hope the House will support the Legal Affairs Committee's amendment to delete Section 4.

Mrs Squarcialupi (COM). — *(IT)* Mr President, we think that any directive and any measure to protect workers, like this particular one to control the activities of agencies which act in more than one country and to protect temporary workers, making them as like normal workers as possible, is useful.

We regret, however, that the present measure has been drawn up with reference to one country, Great Britain, and to its labour organization, which is different from that of many other countries. Fortunately, my country some time ago made the very civilized decision to abolish private employment agencies, those agencies which make a living from the toil of others, and we would not at any price want to see the re-emergence of private agencies in our country. It is the State which has the difficult job of finding work for its citizens, those jobs which are becoming increasingly scarce and more difficult to obtain.

I must, however, make one observation on the problem of temporary work. Faced with the present problems concerning work, we have here been offered only rules for part-time and for temporary work : this is very little, especially if you realize that these two types of work do not lead to proper employment but are, rather, detrimental to full employment as we know just how often employment and reductions in

employment are concealed by the creation of part-time and temporary jobs. We shall, therefore, abstain, as in our opinion this limited approach does not help the very serious problem of employment.

Mrs Spaak (NI). — *(FR)* Madam President, I should like first of all to congratulate the Commission for having tackled this problem which I consider very important and also to congratulate the rapporteur, but I should like to stress two points which I think are significant.

Temporary workers are mostly women — Mrs Wiczorek-Zeul made this point this morning — and they must be helped especially towards better pay. But at the same time we must find the right balance between helping them and having flexibility in the labour market, especially in a crisis. This balance is necessary if our economy is to be restructured, which everyone agrees must be done. I am thinking for example of small and medium-sized undertakings ; they will not take on the risks of development, and thus become a source of work, if excessive restraints are forced on them with regard to labour contracts.

Temporary work also represents a ray of hope for the unemployed. It can mean that they are not excluded definitively from the labour market and we know that the longer one is unemployed the less chance one has of finding a job again.

If use of this type of work is limited to specific circumstances, unless the Member States were to give them the same social advantages, then Articles 3 and 15 of the Commission's text seem to meet this need for the right balance which I mentioned. We regret, however, that the proposal for a directive does not set nor suggest a maximum time limit, including renewals, for temporary contracts.

There is not yet a European labour market ; temporary work can offer young people the attraction and interest of professional experience in another Member State and help to create a European labour market. But this is only feasible if we have a social Europe with guaranteed social rights for these workers without any additional administrative formalities, either for them or for their firm.

Mrs Duport (S). — *(FR)* The worsening economic crisis since 1970 and the deterioration in the job situation have changed practices in labour management and there has been a considerable increase in recourse to all kinds of temporary work. The development of temporary work over the last few years has been an important element in the ending of collectivism of work. In France, where we have just passed legislation on this work, there was an increase of 59% between 1975 and 1979 in temporary work agencies, and a doubling of work contracts, from more than one to two million. This temporary work is of economic value for short-term work, such as envisaged in the

Duport

directive on absenteeism, or an unusual increase in work, but it may, and often does, have a bad effect and carries serious risks for the often underpaid and under-qualified workers. It also carries risks for the collectivity of work, as I said which becomes disorganized for it is often a disguise for avoiding creating new permanent jobs and for covering up job losses.

The situation of the workers must be examined; now, most EEC countries have not passed legislation here.

The Socialist group can therefore only welcome the Commission's proposal for a directive which guarantees these workers rights identical to those of other workers and which stresses the voluntary nature of this work.

This directive covers two different situations, that of work through a temporary employment agency and that of work under a temporary contract.

In the former case, that of temporary employment agencies, the Socialists took the following view in the Committee on Social Affairs and Employment. It is shocking that profit can be gained from hiring man's labour. We would therefore think it normal to have a real employment service from the public services and we urge that a very strict check be kept on employment agencies pending such time as these real employment services are set up. The harmonization of social legislations appears more and more necessary and the directive is in our view too vague on the conditions under which temporary work agencies may operate in Member States of different legislations.

I think I am being forced to conclude as my time has run out; I regret this as the directive seems worth supporting. All will depend on which amendments are carried, and we have seen in previous cases on the rights of workers in multinationals that the best directives can be changed and rendered unacceptable.

We therefore wish our amendments, but no other ones, to be carried and if that happens we shall vote for this directive in the hope that it will be effective.

President. — Thank you, Mrs Duport. Actually, you still had some time left; you rushed it a bit.

Mr Hord (ED). — On a point of order, Madam President, I am trying to listen to this debate, and it does seem to me that, with speakers reading a prepared script at a rate of knots which I certainly do not believe the interpreters can take on board, it becomes impossible for us to follow through the interpretation. I would ask you in the Chair if you would encourage Members not to read speeches nor to speak quickly.

President. — Mr Hord, it would indeed be a good thing if all Members of the House were to speak more slowly, so that the translation might be more intelligible and more audible for their colleagues. However, having said that, you must admit, Mr Hord, that there are times when one has a lot to say on a particular

subject, and then one rushes along in order to be able to say as much as possible. It can happen too at times that one forgets how much time one has.

Mrs Duport (S). — *(FR)* I was reading too fast, I do apologize. As I was saying, and I wish to repeat it, we think it really shocking that profit can be gained from hiring man's labour; we want our amendment to be carried so that we can then vote in favour of the directive itself.

The harmonization of social legislations appears more and more necessary. The directive is in our view too vague on the conditions under which temporary work agencies may operate in Member States of different legislations. There should not be any temporary contracts if the workers enjoy the same conditions as the other workers in the undertaking. That restriction in the directive strikes us as very dangerous and we strongly urge that in all cases there should be a written contract clearly stating the conditions of employment, qualification, pay, allowances and duration.

We also want to see workers being informed regularly about the situation in the undertaking, number of temporary jobs, number of women employed on a temporary basis, for the Commission urgently requires statistics on these problems of temporary work so as to be able to propose better legislation.

Mr Papaefstratiou (PPE), chairman of the Committee on Social Affairs and Employment. — *(GR)* Madam President, ladies and gentlemen, today's debate in the European Parliament is timely and, I hope, useful, because the two forms of employment covered by the directive have shown a particular increase in recent years as a consequence of the economic crisis. The use of casual labour supplied by tender and the direct employment of workers on a fixed term contract basis are forms of employment which businesses eagerly adopt, the main benefits being reduced labour costs and the potential for achieving flexibility in the management of their affairs. The immediate and short-term benefit from the standpoint of the workers, which consists in finding a job and avoiding unemployment even for a short spell, results, most of the time, in no attempt being made to find permanent and stable employment. In the period 1977-1980 this phenomenon resulted in a worrying percentage increase in casual working ranging between 9 % in the Netherlands, 20 % in Denmark, 24 % in Italy and 60 % in Germany. For the same period we observe a large increase in the number of related agencies, and in France the number of casually employed workers increased between 1977 and 1980 by something in the order of 138 %. This is leading us to a form of labour distribution characterized by, on the one hand, a stable nucleus of permanently employed workers,

Papaefstratiou

well-organized for the most part and protected by specific legislation or union agreements, and, on the other, by a large number of people in varying workforces whose only characteristic is estrangement from other production units, but who, nevertheless, make a significant contribution to production. With its proposed directive the Commission is giving practical effect to earlier pronouncements by both the Council and the European Parliament concerning the need for controls to be imposed on the use of temporary labour and for temporary employment to be protected from the social standpoint. These things can be achieved only through strict control of temporary employment and through a directive designed to prevent abuse by the various undertakings involved in the temporary employment system. Here, however, we must draw the attention of the competent agencies. Because, in fact, the force of articles 3 and 15 of the proposal for a directive, which lay down the circumstances in which the employer may offer casual or fixed term employment, is considerably reduced by the inserted exemption which provides the opportunity for wide deviation in cases where those employed temporarily enjoy the social benefits provided for permanent employees. Though this exemption is understandable it is likely to lead to the commencement of new abuses and to render the directive as a whole worthless. That is why the Committee on Social Affairs and Employment, over which I have the honour of presiding, voted for it to be deleted.

In finishing I would like to thank the rapporteur, Mr Patterson, who, with his excellent report, has contributed greatly to the making of improvements to the Commission's text which I hope the latter will adopt after they have been approved by the European Parliament.

Mr Richard, *Member of the Commission*. — Madam President, I found this a very interesting debate. Perhaps in a sense, it concentrated a little too much on the details and not so much on the broad general approach. Some of the contributions I found fascinating. Mr Chanterie wants the Commission to make sure that its temporary employees are made more permanent. I assume that he wishes that same principle to be applied to Commissioners just as much as to employees. I am sorry he is not still in his place, but it is something that we would wish to look at with great care and concern.

As far as the Commission is concerned, this is a difficult dossier. I would like at the outset to thank honourable Members for the careful work that they have put into it. Particularly, may I mention the rapporteur, Mr Patterson. He has done a great deal of detailed work, and I think it is right therefore that where I disagree with him I should say why.

Let me say at the outset that the Commission will wish to look at its position again in the light of this

debate and in the light of the resolution that Parliament adopts today. However, Madam President, I am afraid I have little doubt that we will not be able to follow the Parliament's views all the way — if the House accepts the rapporteur's approach, since there would then seem to be some differences between us. I will try to indicate what these differences are. Before I do that, however, I would remind the House of the Commission's overall objectives in making this proposal. There are three, and it is in striking the right balance between them that the difficulties of this dossier lie.

The first objective is to improve the protection which the law gives to temporary workers. I do not think anybody has much difficulty with that on the face of it. Because they fall outside the scope of much of the protective legislation in force in some of the Member States, because of the essential vulnerability of their position, there is a need, in our view, to provide safeguards against their being abused. The Commission is just as concerned as Parliament about the lack of adequate statistics in this field. It is perfectly true that there are gaps in our statistical knowledge and information. But this evidence of a lack of regulation and control reinforces our view that some minimum norms of protection are required, rather than leading us to believe that no problem exists.

The second objective is the protection of permanent work. The Commission recognizes the need for a genuine degree of flexibility in the labour market and believes that temporary work is one of the important means of ensuring this. At the same time, however, we do believe that permanent work should be the norm and that the need for flexibility should not be exaggerated to the point where temporary contracts become a convenience for avoiding the greater commitments of permanent contract. We therefore attempt to define where the dividing line between the two should be.

The third objective is perhaps the least controversial. That is to ensure that agencies which supply temporary workers are properly regulated, ensuring a better service for both workers and user undertakings within the Member States but, perhaps more important, between the Member States.

Those then, Madam President, are the broad aims. Having listened to the debate, I think it is fair to say that there is a broad measure of agreement, at least about the aims. Looking at what Parliament has said in the past about temporary work, as well as in this motion for a resolution before the House, I do detect a broad consensus that these objectives are the right ones and also that a binding Community directive is the right means of realizing them. Our differences therefore are about means. Let me refer to the most important ones in the order in which they arise in the draft directive itself.

Richard

The Social Affairs Committee wishes to see the conditions for the authorization of temporary employment businesses in the Member States harmonized within a few years. The aim would be to ensure that a temporary employment business authorized in one Member State would be entitled to pursue its activities in any other Member State without fulfilling any further authorization requirements. As I understand it, what lies behind this is a desire to allow and even to encourage the development of temporary employment business activities in those Member States where the supply of temporary workers is currently prohibited or very strictly circumscribed.

I have to say to the House that this is not one of the Commission's aims. We see no grounds for regarding the banning or strict limiting of temporary work as creating a competitive advantage for the Member States concerned. Such a harmonization would therefore be superfluous. In any case, this sort of freedom-of-establishment approach is outside the Commission's conception of the present directive. Moreover, the harmonization option is certain to be unacceptable to the Council. This is not a sufficient reason for not proposing something, but it is an added reason for the Commission not to wish to change its proposal in this respect. A final point on this aspect is that the Social Affairs Committee's approach would be contrary to the principles enunciated by the Court of Justice in the *Webb* case, whereby, a Member State may take local labour market conditions into account in refusing authorization to engage in the supply of temporary workers on all or on part of its territory. This would clearly be impossible within the framework of harmonized authorization producers.

The second difference of approach is probably the most important. It concerns Articles 3 and 15, where a balancing act between the first two objectives I mentioned at the beginning has to be performed. Do we simply require that temporary workers should have full social protection, or do we limit recourse to temporary work, or do we try to combine the two approaches? The opinion of the Social Affairs Committee is, first, that all temporary workers should benefit, under the same conditions as permanent workers, from the social protections granted by law, collective agreements or practice in the undertaking. Secondly after a transitional period of five years to allow the condition to be fulfilled, Member States may prohibit altogether the conclusion of labour supply contracts, except in cases where it is foreseen that the post concerned would be available only for a limited period. In other words, the committee believes that no limits on recourse to temporary workers are necessary, provided that such workers receive full social protection — a condition which could be fulfilled within five years.

Now the Commission's view, quite simply, is that that condition cannot be comprehensively fulfilled. The

problem here is not whether that would be desirable but whether it would be feasible. The Commission believes it may be feasible in specific cases, hence the derogation in our Articles 3(4) and 15(4). But the nature of a temporary employment contract is such that complete across-the-board equality of treatment is illusory. What about all the rights that depend on seniority, for instance? I am not at all sure that an insistence on complete protection in all circumstances would give the necessary margin of flexibility for when that is genuinely needed. With all respect to the rapporteur, I think his scheme of things may fit the UK case very well, but I doubt whether it takes sufficient account of the very differing practices across the Community.

In the absence of complete protection, permanent — not transitional — limits on recourse are required. Such limits should not be vaguely worded, as in the motion for a resolution; we think they should specify the cases in which recourse to temporary workers is justified. That is our Article 3. A Member State would not have to choose between limits on recourse and complete protection. The two safeguards could exist in parallel, and, contrary to a comment made in the report, temporary workers who are employed under a 'limits on recourse regime' would not be without social protection. All the other provisions of the directive would apply.

A third and related difference is the Social Affairs Committee's wish to see all temporary workers and temporary employment businesses bound by contracts of unlimited duration. I feel this is an 'ideal world' solution which has little chance of being approved. Only in the Federal Republic does such a rule form part of national law. Even there the rule is not fully applied, since it may be waived by contractual provision. Most contracts with temporary workers are, not surprisingly, concluded for a fixed duration.

So far I have talked only about the provisions concerning the triangular relationships involving a temporary work agency. Where bilateral fixed duration contracts are concerned, the Social Affairs Committee accepts in broad terms the limits on recourse proposed by the Commission but suggests a vaguer and more flexible formulation. I think the real debate, however, is between those who broadly support our approach and those who are opposed in principle to the adoption of a directive in this field at all. The Commission's view is that this part of the draft directive is a necessary and natural complement to the preceding part. If greater restrictions and controls are necessary in relation to the kind of temporary work dealt with by agencies, a similar though not identical measure of control is required for the bilateral relationship. Not just because you otherwise risk simply causing a shift from one to the other, but also because very similar problems arise. We deliberately made Article 15 slightly more flexible than Article 3 because we do not believe the problems to be

Richard

precisely the same. I hope very much that Parliament will not vote in favour of amendments which would seek to have this section removed altogether.

Madam President, so many amendments have been tabled and so many of them are substantive ones that it is difficult to see the likely outcome of this debate. I am optimistic, however, that the House will adopt a broadly supportive opinion in line with its previous resolutions on this subject, even if there are some important differences. I would end by repeating my undertaking to look at the proposals again with a view to seeing how these differences can be narrowed in the light of this debate and of Parliament's opinion.

Mr Van Minnen (S). — (NL) Madam President, the Commissioner has just said that the Commission will certainly not be able to agree to all the proposed changes. He was thus alluding to the 138 amendments that have been tabled. We can reassure him in one respect: it can safely be said that not all 138 amendments will be adopted. But I should like the Commissioner to explain his position, particularly as regards the discrepancy between the Commissioner's advising against certain amendments and the possibility of his not incorporating amendments adopted by Parliament. Am I to understand the Commissioner's words simply as advice or as a veiled threat that, if we reject his advice, he will ignore the amendments proposed by the Committee on Social Affairs and Employment?

Mr Richard, Member of the Commission. — Madam President, I am a little surprised, if I may say so, at that intervention from Mr van Minnen. At the beginning of my speech and again at the end of my speech, I said quite specifically that the Commission would look again at its position in the light of what Parliament had said, the opinion Parliament adopted and the views it took on the amendments. Of course, I am not going to give a blanket undertaking that I will accept all the amendments any more than I am going to give a blanket undertaking that I will reject all the amendments. I have come to this debate, with what I hoped was a relatively open mind, in order to listen to the collective wisdom of this House. If Mr van Minnen expects more of me at this stage than that, all I can say is that he is asking too much.

President. — The debate is closed.

The vote will be taken at the next voting time.

Mr Tyrrell (ED). — Madam President, I did want to ask Commissioner Richard a question arising out of my own contribution. Has the Commission made any assessment of the effect of these proposals on jobs, and in particular on small businesses? I know he covered the ground very widely, and it is almost certainly only because Homer was nodding that he

did not answer that question. I would like him to have an opportunity to do so now, if you would be so kind as to let him.

President. — Mr Tyrrell, we have declared the debate closed. The Commissioner has replied broadly to all the points raised by the House. If there are other questions, it will be possible perhaps for Commissioner Richard to say something further when the voting time comes.

6. Pilot schemes to combat poverty

President. — The next item is the report (Doc. 1-1337/82) by Mr Boyes, on behalf of the Committee on Social Affairs and Employment, on the final report from the Commission to the Council on the first programme of pilot schemes and studies to combat poverty.

Mr Boyes (S), rapporteur. — It is good to have an opportunity again to speak on this vitally important subject for the people of Europe. Over the past few years we have been in a very deep crisis in our capitalistic system and it was regrettable that the people that are least responsible for the crisis have had to pay the heaviest price. Perhaps this afternoon it would have been relevant, had we been discussing solutions to some of the great problems that the poor are having to experience, a plan for a new and different economic order. However, that is not the subject of the debate. This is another opportunity for us as parliamentarians to use this Parliament to expose the problems that the poor are experiencing and hope that the Commission will support what Parliament asks for. I know that Commissioner Richard is in favour of a second set of projects and I only hope that he can successfully argue in other places to get Member States to agree to their being carried out.

When I spoke previously on the poverty project I paid tribute to those who worked on the first programme and I wish to do that again. Many people work long hours under difficult circumstances to help those who are living in most difficult circumstances. I wish to pay a further tribute to all the people who have participated over the past five years in this first series of projects on poverty. Some of these projects were flawed from the outset; some of them, because of limited periods of time — two years or three years — develop inevitable flaws. However, the conclusions that have been well documented in both the Commission's report and in a book by four authors — Bennett, James, Roome and Watson — do emphasize the importance of these first projects. In their book they say there were four important conclusions that the programmes have demonstrated. First, that poverty worsened during the '70s. Secondly, that poverty is by no means confined to marginal groups of Europe's

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population. Next, the programme suggests that in the '80s new forms of deprivation, of poverty, are likely to be the fate of increasing numbers of people. Finally, that poverty is a broad European problem, although it takes different forms in different Member States.

So, if we could build on those conclusions, one could only determine that we need another set of projects. The reason I say this is that if we are to define what people live in poverty — we know the traditional groups, like the elderly, the ethnic groups, migrants, the handicapped and so on — we now have to add an ever growing pool of unemployed. In Europe now I would think there were in the region of 15 million people unemployed. I know official figures keep coming out and saying 10 million, 11 million, 12 million, but figures are doctored throughout the Member States — and they are well doctored in Britain too — so that we have 15 million people at least who have been added to those already living in poverty. This is leading to a society in which there is a massive gap between the 'haves' and the 'have nots'; the gap is daily growing between the poor and those who are not so poor. And this is creating tensions in our society, tensions that we must face up to.

Before you say these are the ramblings of a few left-wing Marxists, let me offer two quotations to emphasize this point. In the Commission's final report they say, and I quote: '... The alienation caused by poverty and particularly political instability which may result from it ...'

And, secondly, the Commissioner himself was quoted in 'The Times' in 1982 as saying in London: 'That unless we can radically alter this situation then not only does Europe deserve to stand condemned in the eyes of civilized people' — and I emphasize now — 'but also we place the democratic foundations of our society at very real risk'. That is what Commissioner Richard said at the time and nobody can disagree with that. You cannot have massive pools of people living in abject poverty and you cannot have other people enjoying the benefits of capitalism without there being strains and tensions in our society. And whilst I am not predicting that the result of that will be violence or revolution or anything else, I do say that the results will be unpredictable. Having said that, nobody can but agree with Commissioner Richard when he says that all our democratic processes are at risk. And there is nobody who has stood for this Parliament or any other parliament who does not want to defend the parliamentary system of democracy. When that is under threat surely that means that something has to be done about it.

But, you know, too many Member States want to bury their heads because they do not want exposure; they do not want to be seen to be creating pools of poor people; they do not want to be answerable about it and if they can bury it under some carpet, if they can

hide it away, that is their preference. So we must in fact have some system of both exposing — but also on a more positive side of exchanging — ways in which we can deal with the poverty problems. If we have experiences in one country in Europe and can take advantage of it in other countries, then we should determine methods of doing this. That is why my proposals and the Commission's proposals have put emphasis on the need for an anti-poverty clearing house to promote the dissemination of experience gained in efforts to combat poverty. We must have that. But you know, not all governments are even interested in that. I believe that the biggest number of people that we have to deal with are the unemployed and that is why not only in my own project you will see that a large emphasis is on unemployment. Special consideration should be given to the consequences of long-term unemployment. What happens to kids who are on short-term training courses and then put back on to the dole again? What are the pathogenic effects of unemployment and what are the hardships faced by the elderly?

My government (I say 'my government' — it just happens to be the government of my country and I pay no lip service to it. I know what its efforts are in destroying large parts of our community) says in a briefing note to me 'It is premature for the UK Government to indicate whether it is in favour of various schemes included in the motion for the European Parliament'. Anybody who knows the government in Britain would know full well that they would not want any projects to alleviate unemployment when in fact over the past four years they have done nothing except create it.

What is more, if you accept my argument that unemployment and poverty are directly linked, the biggest disgrace ever was perpetrated this week when Nigel Lawson, the Chancellor of the Exchequer, said of unemployment benefits in Britain — the pittance that people get (I have two kids unemployed, one 17 and one 20, and they get £ 40 a week between them — that is what we get in Britain) and I quote from 'The Times': 'The fact is that it is not possible to give a guarantee on any particular operating of unemployment benefits'. And then came the biggest insult of all to all of us when he said that some people make a rational decision that it is not worth their while taking a job at the sort of pay at which jobs are on offer. I say to Nigel Lawson that that is an insult to the 5 million people unemployed in Britain and the 15 million unemployed in Europe. Does he realize that in my own area, Tyne and Wear, 100 000 people are unemployed and there are 2 000 jobs available. If you accept that 2 000 people do not want jobs — that 2 000 will not take them — that leaves 98 000 people on the dole and Lawson dares to say that to the people whom I represent. I think that is a disgrace. But having said that, I and lots of my colleagues — and I hope with the support of the Commission —

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will use this Parliament daily on all possible occasions to expose the problems of the poor. We are asking for 20 million — that is not going to solve the problems of 35 million people being poor. I accept that. But, if this Parliament will not speak for the poorest sections in Europe, who *is* going to speak for them?

(Applause)

Mrs Clwyd (S). — Madam President, I speak for the Socialist Group and as a member of the Committee on Social Affairs and Employment.

It gives me pleasure to support this motion for a resolution, especially the main points which it makes: introduction of an anti-poverty clearing house for the Community, a further Community programme to combat poverty and a modest 20 million from Community funds and from Member States over a period of 5 years.

Last year Commissioner Richard warned that mass unemployment was aggravating poverty in Europe to such an extent that it was threatening the democratic foundations of the Community. He went on to say that the hostility and resentment of Member States to having the collective poverty of Europe exposed ruled out hopes of Community action. How much worse is the situation this year with 14 or 15 million unemployed?

An appalling number of people live in poverty in Europe, as this report makes clear: more than one in 10 of the Community's population. The increase in those without a job over the past four years has added to the traditional groups of the poor — the elderly, one-parent families, the disabled — who are suffering most from government cuts. As has been spelled out in this Parliament time after time, one of the most effective actions against poverty must be the battle against unemployment, which is why the Commission has asked Member States time after time to review their anti-inflation policies and public spending programmes, with, of course, no effect in many of the Member States of this Community.

The poor, as you might expect, are taxed more heavily in Britain than in any other country in Europe. Twice as many families are caught in the poverty trap as were four years ago. The concentration of tax reductions upon the higher groups, the failure to increase child benefits, the failure to uprate pensions in relation to earnings, the proposal to cut back on unemployment benefit instead of adopting further measures to reach all those people legally entitled to benefit but not receiving it, above all, the indiscriminate cuts in spending on the public social services without enforcing priorities for those in greatest need suggests that, from the viewpoint of the poor, we in Britain have entered the darkest period in our entire postwar social history. Tory Government ministers in Britain have no understanding of what it is in the 1980s to be poor. Deprivation takes different forms. There are

dietary deficiencies experienced by pregnant working-class women and the babies and children of low-paid wage earners. Inequalities in heights between the children of different classes are as marked as they were in the 1930s.

Death rates and sickness are still much greater in manual than in non-manual jobs. The situation is getting worse and government policy is making the gap even wider. One percent of Britain's adult population now owns a quarter of the country's personal wealth. At the other end of the scale at least one-eighth of the population has an income below the official poverty line. Wales, which I represent, is a country of sharp and serious deprivation. Incomes per head are lower than in any English region. Housing in Wales is older than in all other regions of Britain and there are more houses unfit to live in. We have more pensioners without their own bathrooms and inside toilets. We also have one of the highest unemployment rates in Britain. In Wales there are relatively more old people, more people who are sick and disabled, more people out of work, more people who are dependent on state benefits. This inevitably means more poverty.

Madam President, we have in Britain a government which has failed to take account of the particular needs of Wales. There has been a refusal by government to accept that areas with particular problems need special policies. In Margaret Thatcher's Britain you are expected to tighten your belt if you cannot afford food, get on your bike if you cannot afford to find work and start saying your prayers if you fall ill. It is not a pleasant sight and I have great pleasure in supporting this resolution.

(Applause)

Sir Peter Vanneck (ED). — On a point of order, Madam President, I just wonder if the Chair could somehow rule that criticisms of individual national governments should be cut to a minimum just because the election has been lost in 1983 by those same people who lost it in 1979.

President. — That is not a point of order, Sir Peter. Members are sufficiently intelligent and sufficiently responsible for their own statements and actions to be accorded the right to analyse events as they themselves see them.

(Applause)

Mr McCartin (PPE). — Madam President, in the couple of minutes that I have I want first of all to thank the rapporteur. Mr Boyes, for his work on this subject and in case he feels very flattered having heard me clapping my hands here behind him when he finished, I want to say that I was applauding his concern that everybody knows about and his eloquence, which all of us heard, rather than the ideas that he proposed as a solution to the problems of poverty in this Community.

McCartin

There is wide agreement that poverty has increased in this Community over the past 10 years. This underlines a fact that many of us have accepted for a long time, namely, that poverty will result from bad or inadequate economic policies but, of course, not only from those. Poverty can be the result of many things — the way that some human beings act or fail to act towards their fellow man, the weaknesses of some and the strength of others, or what are commonly perceived to be the strength and the weaknesses. Poverty can be caused by some of the complexities of human nature and by the interaction of different individuals with each other and with the environment in which they live. The causes of poverty will change from time to time and from place to place. We know that poverty has been almost eliminated at some times and in some places, but most positively in this region of Western Europe in the late 60s and early 70s where full employment and a reasonable distribution of wealth was achieved.

So we know that within the free market democratic system it is possible to achieve a position where the number of people who are cut off from the standards of living of those around them can be reduced to a small percentage of what it is today. We know that this can be done by the elimination of what we can identify as the main cause of poverty. The main cause, which we recognize as unemployment, can be eliminated in either of two ways: by the creation of an economic climate in which more goods and services can be produced and sold profitably, or by the sharing of the opportunity to produce such goods and services as are marketed at the present time.

This is normally called work-sharing. But this will only succeed if, at the same time, those who concede part of their work will also concede part of their wages. Otherwise, we will only exaggerate the problem we are trying to solve.

Since I cannot analyze all the thoughts that I have about this problem in the time available, let me say that in the main I see it as an economic problem. If we can solve the economic problem and generate wealth and employment, then we can solve the social problem of those who are not able to work, the educational and training problem of those who do not fit into the labour market and the need to provide for what must be a small number of people — but they do exist — and particularly, of course, their dependants. I refer to the people who do not want to work. I think we have a programme for the elimination of poverty going on within the social programme and the regional programme. It is through the development of both those policies that I see the best hope of making real progress towards the elimination of deprivation in disadvantaged regions, as well as the best hope for the black spot areas, whether they be urban

or rural, and for the individual person or family whose problem in absolute terms will be all the greater if they live in an environment of high unemployment and low wage rates.

To speak of 30 million unemployed in Europe is too much of a generalization. Some of those so described in one area of this Community will enjoy a far higher standard of living than those who are middle income or perhaps even better off in other parts of the Community, in some of the richer regions. Therefore, at Community level it would be much better to concentrate on economic convergence through improved social and regional policies, while research into social and economic problems could be coordinated at European level. I believe that the development of our social and our regional policy is the best hope of eliminating poverty. We cannot, by producing some millions of pounds for every generous idea that each individual in this Parliament holds, resolve the problems of all Europe. This will just result in a division of our resources, a breaking up of our resources and the achievement of very little through a large number of policies which will not, in fact be financed to do the job which they are intended to. For that reason my emphasis would be slightly different from that of the previous speaker and the rapporteur. On the other hand, I think that research at Community level is essential if we are to achieve the same sort of justice in society throughout the different parts of this Community.

(Applause)

IN THE CHAIR : MR MØLLER*Vice-President*

Mr Spencer (ED). — Mr President, before I turn to point 4, I want briefly to reply to the remarks made by Mrs Clwyd. I am sorry she gave in to the temptation to spray us all with a collection of emotional assertions unrelated to fact; I assume it was a hangover from the election campaign. I am sorry, Mrs Clwyd, there is no secret manifesto: the government just is not as nasty as you would like to pretend that it is. And when you refer to things like differences in health, you know, as I know, that a lot of the remaining health differences between classes are due to differences in the way of life and have to do with the fact that we cannot get through the message about healthy living and the damage done by cigarettes to those who are less literate. So don't just sweep it across as if it were all the fault of our beloved Prime Minister.

My group welcomes the intent of the Boyes report even if it retains mixed feelings about Mr Boyes and some of his ideological baggage. The explanatory statement points accurately to the existence of pools of

Spencer

poverty in our otherwise affluent society. However, partly, I suspect, because of the rapporteur's cavalier approach to statistics, it fails to prove adequately a theory that poverty is increasing in our society. It certainly fails to prove absolutely that a kind of progressive emiseration is an essential part of a capitalist system in decline.

For my group, however, such proof is not necessary. We accept that there is already a sufficient level of poverty to require us to do some serious thinking about how it should be rectified, and our amendments seek to make the report more workable in precisely that sense. We want to amend Paragraph 2 because we believe that the factors which lead to poverty are inter-related and should be considered as a unity and that it is not up to us here to specify the aspects of poverty these researchers should look into.

We welcome the suggestion of an anti-poverty clearing centre, but not the construction of an infrastructure of poor persons' organizations. Such a proposal is bureaucratic or insulting or both. There is much that was done — and done well — in the first programme. We voted for it, Her Majesty's Government voted for it, the only government which vetoed its continuation was the socialist government in West Germany. I hope that when a new programme is put forward, it will command the full support of this House and of the Community.

The position of my group was well put by Francis Pym the other day. He said that it is the duty of government — and I think we may extend his words to cover European government as well — to stand up for all in society, not merely for those who stand on their own two feet. We agree. We will support the Boyes report.

Mrs Squarcialupi (COM). — *(IT)* Mr President, there are a number of ways of combating poverty. One of these is being shown to us today, and consists of requesting the abolition of certain articles on the state of poverty in Europe. We think that this is a rather puerile method. It is children who close their eyes in the certainty that others cannot then see them.

Certainly, poverty is a phenomenon which tends to spread with unemployment, the crisis in the social services and cuts in spending on the social services. Therefore it is increasing continually. So we are in favour of submitting a second programme to give priority to those projects which increase research and action on all problems concerned with poverty: pilot projects which indicate the best ways to combat poverty; practical ways of doing without the spirit of charity and condescension which, unfortunately, still bedevils some countries; so as to give individuals the chance to play their part in society and at work.

With this in mind, I want to mention the question of illiteracy and of returning illiteracy. The ability to read

and write and argue is the best way to give the poor a chance to be heard, so that they themselves can join in the fight against poverty.

Our amendments, and there are only two of them, aim to give preference to studies and pilot projects concerning the less-favoured regions where, naturally, poverty is at its most acute, as is shown by the number of immigrants. Immigrants within the Community do have representatives in this Parliament who can defend them; immigrants outside the Community have no one to defend them, or, at least, no one who defends them directly against all forms of abuse like, for example, rascism and xenophobia, which impoverish even further those who have created the wealth in their host countries but who then come to be seen as unwanted rivals.

The Communist Group considers that the fight against poverty is a general one which certainly includes projects to wipe out poverty but requires a whole set of measures which can genuinely lead to a better distribution of resources and to a lessening of the differences between individuals, so that everyone can enjoy the fruits of a developing society.

Mrs Pruvot (L). — *(FR)* Mr President, ladies and gentlemen, the crisis has brought with it a rebirth of a scourge which our Western societies thought was dying out, like that of famine and infant mortality. And that scourge is poverty. There was reason to believe that unprecedented prosperity and the effective development of social protection and the welfare state had banned this scourge for ever, but it is not true. The most pessimistic statistics put the rise in poverty from 10 to 30 million persons in the Community. This figure should of course be checked for its accuracy. But the lack of accurate details in evaluating poverty is undoubtedly due to the fact that we really prefer to ignore this phenomenon which is implanted like a thorn in the hearts of our societies.

Poverty, expression of the economic crisis, is with us again. The works of Zola, Dickens and Hugo had taught us that poverty was the lot of the urban proletarian classes, the Villermé report of 1850 had taught us that poverty was inherent in the very condition of the proletarians. Today poverty is more insidious, it is not the accursed prerogative of one class, quite the contrary. Today's strange crisis creates two kinds of society; those, on the one hand, who enjoy security of employment and for whom the notion of crisis is abstract, these are the privileged ones; and the others, the victims of unemployment, the majority of whom are young persons and women. Unemployment nowadays creates poverty, not so much because unemployment directly means poverty, our States do take precautions against that, for example in France the ASSEDIC, but because the unemployed are recruited from the poorest elements of our societies. A survey has shown that the unemployment rate among unqual-

Pruvot

ified workers is 15-20 % higher than that of qualified workers. It is three of four times higher than that of white-collar workers. And even more, statistics show that the rate of unemployment increases in direct proportion to income. The centre for the study of incomes and costs has shown that in France as soon as one has crossed the 8 000 francs a month threshold one is usually sheltered from unemployment. So we are facing a new structural phenomenon where poverty rhymes with unemployment, lack of professional training equals illiteracy. It is not rare to find young people in the same family unemployed, but also because their parents are. It is a frightening logic before us which puts together on the one side the new haves, the salaried workers with lifetime employment and on the other side the havenots, a quarter of the world, ignorant, products of broken families, and the newly impoverished from the tertiary sectors who must not be forgotten, the craftsmen, the shopkeepers of deserted boutiques.

Poverty is dumb, the poor are often unarmed and I want to emphasize how praiseworthy the Commission's initiative is, to provide for a pilot study programme to combat poverty. I should also like to congratulate the Committee on Social Affairs and Employment and its rapporteur, Mr Boyes, on this report which the Liberal Group supports and which attempts to analyse the Commission's work. May I be permitted to make just a few reservations on the rapporteur's theses? I do not think it sufficient, nor perfectly correct, to say that poverty kindles the dangerous risk of political instability and that this threat hangs over the democratic principles of our societies. Certainly, as the rapporteur submitted, poverty engenders revolution, often individual revolution, that of young delinquents of our dormitory cities deprived of all hope, but more especially it also engenders this moral protectionism of the haves who refuse to recognise poverty, it engenders a kind of splitting of our society into two, rich against poor and that, to my mind, is much more serious than the risk of subversion.

Nor would I wish to adopt the rapporteur's simplistic — and unexpected, incidentally — abridged version which leads him, at the end of his explanatory statement, to give an abusive and incorrect interpretation of a sentence on page 140 of the Commission's final report. Does that mean, Mr Boyes, that there is no poverty in countries with a non-capitalist economic system? Do you maintain there is not poverty in other countries? Well, I would complete your idea by saying that the capitalist system, while not necessarily creating poverty, does not combat it, that is true. But other countries create destitution, and that is worse still. Nonetheless I do not think that the fight against poverty is helped by dilatoriness; I believe, on the contrary, that faced with the risk of a moral ghetto which surrounds poverty on all sides we must, side by side with the Commission, undertake the crusade against poverty.

(Applause from the right)

Mrs Spaak (NI). — *(FR)* Mr President, ladies and gentlemen, a crisis has hit our social security systems. Without denying the advantages it has achieved, especially minimum rights for individuals, it has become clear that it must be completely rethought and that we must ask one basic question: what solidarity do we want? We are unable in this crisis new jobs in a hurry, and our systems of social assistance, our mechanisms of redistribution have reached their limits.

Criteria other than that of income now play a part insofar as they can substantially worsen the effects of an inadequate income. I am thinking particularly of the problem of large urban concentrations and of the isolation in them of those who suffer from poverty. It is significant — and this fact is illustrated in the Commission's report — that poverty is ignored if not denied by a large minority of the population.

Intermediary groups, such as the village and the family in the wide sense, are disappearing, and this leads to bureaucracy and growing costs for the State. The welfare state, by creating an increasingly abstract solidarity, has contributed to the loss of autonomy and to a growing isolation of individuals. In other words a 'hypersocialization' at the top does not compensate, or no longer compensates, for a 'desocialization' at the bottom. Things must be organized on a decentralized basis, such as in the municipalities. But to stop our society from becoming poorer we must also invent new forms of active solidarity. We know that more and more the local authorities are taking initiatives in the social and cultural spheres. We also know that if family solidarity had completely disappeared then the demand on the State would be even greater. The economic and social value of the services rendered by the housewife at home is not sufficiently appreciated. It proves that State solidarity needs to be supplemented.

Experience has shown that the neediest identify themselves as a group to break their isolation and to organize 'self-help'. That also emerges from the Commission's pilot studies; I am thinking of what happens in the Marolles district of Brussels or in the movement 'ATD-Quart-Monde'. In Great Britain, for example, the development of 'Mutual Aid' has helped to keep poverty arising from the fall in purchase power within broad limits. This formula also helps to get the backing of public opinion.

In a word, we must find a way of combining the welfare state and the different private formal and informal services and the State must be the material support of this basic solidarity. Finally this new solidarity needs free time but that, Mr President, would be the subject of another debate.

Mr O'Mahony (S). Mr President, on a personal note, it gives me great pleasure to participate in this debate. The first programme of pilot schemes to combat

O'Mahony

poverty was undertaken in the Community following an initiative by an Irish Socialist Minister, Mr Cluskey, who has also, of course, been a Member of this House.

At that time, in 1974, he hoped that his initiative would mark the beginning of a new direction in Community policy. He hoped that the problems of the poor would be given a high priority on the agenda of future decision-making both in Member States and in the Community itself. That hope, indeed demand, of his has not been fulfilled in the intervening period. It has, instead, been submerged in a wave of political reaction and economic mismanagement which could not have been foreseen at that time.

The Commission's report indicated that the number living in poverty, defined as less than half the average net income per person, was approximately 10 million people between 1973 and 1979. Today, the number who are poor in the Community is in excess of 30 million men, women and children — at least three times more than one decade ago.

I have no doubt that all Members of this House would be prepared to express their concern at the scale of the human catastrophe, misery and waste which this figure implies. But concern is not enough. What is needed is political analysis and renewed political action.

The Commission's final report is correct when it says that widespread poverty in the midst of plenty results from the whole pattern of social and economic stratification which characterizes European society and the inadequate development of the many anti-poverty policies within that Community. What that means in effect, as the Boyes report points out, is that poverty is inherited in a capitalistic, hierarchical class system, with those who control the means of production and thereby the main resource allocation structures and mechanisms effectively conspiring to marginalize and exclude disadvantaged groups by ensuring that they have little chance of escape or advancement.

Poverty is concerned with one concept in particular. It is concerned with power: the power of those who control the means of production and decision-making to impose their will on those without power and thereby to impoverish them. Poverty on the political level is about the failure of the capitalist system and, in some sense, is the failure of the socialist system themselves.

I am struck by the contrast between the Annex to Mr Boyes' report and its concrete proposals. I do not intend this as a criticism of Mr Boyes or the members of his committee. While I must welcome any action against poverty, I cannot believe that 10 years after the first initiative at Community level, we are still talking about an anti-poverty clearing house, more cross-national action research programmes and a limited budget of 10 million. These things are useful and

beneficial, but they are no substitute for a radical change in policies in both the Member States and at Community level which places the poor as the centre of focus for action and which seeks to re-direct all Community policies in their favour.

Mr President, what I have said is not a criticism of Mr Boyes or his committee. They have done exceptionally well to seek to preserve this minimum programme of Community action against poverty, particularly in the face of a Council which has no time for it. But let us not confuse this limited programme with radical changes in economic and social policies which would really benefit the poor. It seems that it is the best that can be done in the context of a Europe where political power has shifted to the right, and where crude monetarism is rampant.

In that sense alone, Mr President, I welcome this report and I congratulate those who have fought to preserve this minimum acceptable programme.

Mr Estgen (PPE). — *(FR)* Mr President, Europe is wealthy, very wealthy, despite the economic crisis, if it is seen in the light of the developing countries where every day thousands of people suffer and die of hunger. Nonetheless, this wealthy Europe has more than thirty million poor.

My country, the Grand Duchy of Luxembourg, is also wealthy, perhaps one of the wealthiest, as in terms of per capita income it comes second in the list of the countries of the world. However, 10-15% of its inhabitants live in want. Inequality is almost twice as high in Luxembourg as in neighbouring countries. That is easy to read in percentages, in statistical terms, but behind these figures lie the desperate faces of parents and the starved looks of children.

The treaties establishing the Community lay down as an objective a general improvement in the living standards of all Community citizens, including therefore the poor ones, and despite our systems of social security and assistance they are left out, because no matter how tightly we weave the threads of our social assistance we shall never manage to incapsulate all the misery of poverty.

It is natural that our Parliament should tackle this scourge even although the national parliaments in most of our Member States — in mine, at least — hardly, or never, mention it. It is difficult to find a politically responsible person who claims to defend the rights of the poor. They tend to try to explain, or make accusations, but not help. Trade unions, even the big social organizations, only deal with them on the side. I must, however, make mention of one praiseworthy exception — the ADT-Quart-Monde — and pay tribute to it and its workers who with unlimited generosity and exemplary self-sacrifice show how the problem could be solved in more general terms.

Estgen

The occurrence of poverty is obviously higher in large families, immigrant families, one-parent families. Nowadays with the increase in unemployment in our Member States poverty is taking on an even harsher aspect, with anguish and uncertainty as to the future. Fortunately Europe seems slowly to be awakening to the fact that there are poor people, and many of them, in our society. Up until now the Community means to combat poverty were derisory for they were totally unsuitable for the scale and diversity of the problem.

Let us hope that the Commission studies, Mr Boyes' report and the motion for a resolution which we shall vote on will all help to instigate new policies suitable for fighting this gangrene which is eating away at more than 30 million Europeans and may spread even more in this time of crisis. Measures must be taken simultaneously in various spheres — education and training, social security and housing.

The central office for combating poverty has the job of promoting and circulating reports on experiments planned by the Commission, and it will certainly act as a multiplying, innovating and instigating agent and could thus rapidly become a very effective instrument for combating poverty.

Let us also beware of being too ready to classify the poor into those deserving and those not deserving aid, those who expect everything, pay for nothing, hardly work at all while honest folk work, save ... as people say. That is the kind of thinking that too quickly and too easily justifies a clear conscience.

In conclusion I should like to warn against making too hasty an assimilation between poor parents and unfortunate children, namely the equation: poor parents = unworthy parents. According to the Declaration on Human Rights, the family is the basic and natural element of society and is entitled to protection by society and the State. Each year a hundred children are taken from their families and put into homes. That is a terrible blow for the families.

Of course there are unworthy parents who physically and morally mistreat their children and quite simply neglect them, but these are to be found everywhere. On the other hand one often does not appreciate the efforts made by poor families to stay united and survive together, but their means are quite simply unsuitable. Once the children are put into a home these families come up against even more difficulties in keeping in touch with them. And some people exploit the parents' ignorance of their rights in order to discourage them. Placing a child in a home in Luxembourg costs an average of 30 000 Luxembourg francs a month which is a family's monthly income or two to three times a family's rent for the month. Would it not therefore be more sensible to introduce a real family policy here aimed at genuinely helping the poor family rather than solely thinking of saving the child?

And finally, I should like to congratulate Mr Boyes on his report, and also the experts responsible for the Commission report.

The Community will also be judged by its ability or inability to solve the problem of poverty.

(Applause)

Miss Hooper (ED). — Mr President, there can be no doubt that extreme poverty with all its consequences does exist in this Community of ours. Whilst we may quarrel over the number involved, the fact remains that however many or however few grindingly poor people there may be, it is a personal tragedy for each individual person or family suffering this condition.

Like Mr Estgen, in this respect, I would like to draw the attention of the House to the work of the International Fourth World Movement which has a great deal of practical experience and good results to show us. My own view, which I made clear in last year's debate on poverty, is that it is of the utmost importance to get the priorities right and to ensure that those who truly cannot help themselves are those who actually get the help. I think we can do this by building on the experience of the first programme, and this is of the utmost importance. We can do this if we ensure that the needs of the poorest of poor are not just taken into account in relation to an anti-poverty programme, however well intentioned. Consideration must be given to their needs in looking at the effects of all Community policies, whether it be agriculture or the more obvious fields of education, regional and social policies.

Finally, there is the question of illiteracy. I support Mrs Squarcialupi's statement. We must insist on a practical follow-up to the debate on the Viehoff report which concentrated on this particular topic, and the fight against illiteracy and for basic education must be the top priority in mobilizing and stimulating not only the governments and institutions of the European Community but public opinion as well.

I therefore support the Boyes' report and trust that the rapporteur will take advantage of his new job in his national Parliament to follow up this important European initiative.

(Applause from the European Democratic Group)

Mr Paisley (NI). — Mr President, I rise to support the intent of the motion for a resolution contained in the Boyes report. There is no question that the problem of poverty and mass unemployment must be taken seriously by this Community. However, in disadvantaged regions, such as Northern Ireland, situated on the periphery of the common market, the situation is desperate. In Northern Ireland 21% of the workforce find themselves out of a job. 40% of those unemployed have been out of a job for over 12 months.

Paisley

Traditional industries such as shipbuilding and man-made fibres have been run down and sectors of the agricultural industry, the largest employer in Northern Ireland both directly and indirectly, have been badly hit. One must remember that agriculture in Northern Ireland provides 15% of all the work available in the province.

While good and increasing work has gone forward in providing the basic amenities to the poor houses of the public sector of Northern Ireland, it is still a fact that the Northern Ireland Housing Executive, the public body responsible for public housing in Northern Ireland, is the largest slum landlord in the whole of Europe. When one considers that almost 100 000 heads of families are in receipt of supplementary benefit out of a population of 1.5 million, one gets some picture of the extent of poverty in the province. A person on supplementary benefit receives only 44% of average male earnings. Even amongst those who are employed, Mr President, there is an alarming degree of low pay — 11 000 families receive family incomes supplement in order to bring them up to the breadline. The problems of the poor and unemployed demand priority of this Assembly. This resolution calls for that priority and I am most happy to support the action, although limited, that it proposes.

Mrs Fuillet (S). — *(FR)* Mr President, ladies and gentlemen, after the special session devoted entirely to the problems of employment in the Community it was high time for our Parliament to turn its attention at last to the fate of those suffering most from the crisis, the deprived of our so-called advanced industrial societies. Even in those Member States with the most advanced social protection the Commission's figures certainly do not paint the real picture and the worsening economic situation has made the figures gloomier. Social aid cannot be regarded as a remedy, it is only a palliative in a desperate situation and should be seen as such. Some Member States are very concerned by their sharp population increase but still refuse birth control methods practiced everywhere else. A sharp population increase in a specific Community country, for example a country with structures already in need of vast improvement, can give us no hope of reducing poverty.

Who are the victims of our economic systems which advocate productivity, individual profit, enrichment of only those adapted to the capitalist industrial society? This population, often dismissed pejoratively as 'marginal', is made up of the unemployed, the physically and mentally handicapped, women, socially isolated persons, namely the homeless, tinkers, immigrants from non-Community countries, the travelling people. Some of them reap disadvantages from overpopulated and temporary lodgings, from insecurity

arising from the need to do unpleasant and badly paid jobs, from irregular schooling, from belonging to a culture which public opinion does not recognize or considers inferior. Those are the ones who pay the price of the difference and have little chance of rising out of poverty. Others cannot imagine any way out in our systems — old people cast aside by our societies because like certain handicapped persons they cannot be used in any profitable way.

I shall conclude immediately, Mr President, and skip a paragraph, but I want to say that no one is prepared to suffer this poverty, for how can we imagine that a society based on stereotypes of consumption could think of those who cannot be integrated into it?

The least we can do here is adopt Mr Boyes' report unanimously; your vote will reflect your attitude to those who are perpetually forgotten by our economic systems.

Mr Alexiadis (NI). — *(GR)* Mr President, ladies and gentlemen, investigation into and delimitation of the meaning and dimensions of poverty can contribute to its reduction. Generally the diagnosis of a problem is a prerequisite for its solution. Poverty is one of the most controversial issues of our age. It goes back a long way into history and has been the object of debate for one and a half centuries, a debate which could accurately be described as a dialectic on the problem of wretchedness, relative or absolute. By the term 'poverty' is meant, according to the case, a situation below the minimum level in the spiritual sense or below average limit of tolerable existence. It is, consequently, natural or social, absolute or relative. We speak of natural or absolute poverty when the degree to which basic needs — nutrition, clothing, housing, education and civilization — are satisfied is below the biologically necessary limits. And natural poverty has its social dimension, on the one hand because its causes are basically social, and on the other because the biologically necessary limit for existence varies from country to country, from era to era. Furthermore, absolute poverty has a time-related dimension, worsening or improving according to the period. Relative or social poverty also has three dimensions.

One is the shaping of the standard of living in parallel with the socially necessary minimum level of existence and with the development of the degree to which needs are satisfied.

The second dimension is the shaping of the standard of living of the non-privileged strata of the population in relation to that of the strata which are considered to be privileged.

The third dimension is the comparison of the standard of living of one country with that of other countries.

Alexiadis

Finally, it is important to make the distinction between material poverty, which is associated with the lack of material goods and inadequately satisfied cultural needs, and work-related poverty, which is a consequence of wretched working conditions and of the absence of the creative element in work.

The Boyes report can be called a beginning in the taking of measures to reduce poverty in the EEC, insufficient at present but offering greater hopes for the future, for the immediate near future — let us hope.

Mr Richard, Member of the Commission. — Mr President, may I start by congratulating Mr Boyes on two grounds: first of all on his report, about which I shall have something to say in a moment, and secondly upon his election to the House of Commons. I am sure he will enjoy the House of Commons. How the House of Commons will react to him, no doubt we shall discover in time; but I am sure he will pursue his duties there with the same vigour and enjoyment, zest and enthusiasm that he has brought to the European Parliament, and I wish him well.

I say at the outset, Mr President, that I welcome this draft report on poverty. As I said when we discussed this matter last year, it is gratifying that the committee and the Commission should be in basic agreement on methods for combating poverty and on how one should approach this difficult topic.

Since we last discussed this matter in Parliament, the Council of Ministers has finished its consideration of the final report of the first poverty action programme and has issued its conclusions. Apart from deciding that the first action programme was a valuable exercise, the Council concluded that specific Community action was needed to combat poverty. This in a way is a recognition of the need to continue the action under the first programme.

The Council has also invited the Commission to submit appropriate proposals on actions to be taken in the field of poverty. In response to this invitation, the Commission has undertaken in recent weeks a series of consultations and discussions with a very wide range of persons and organizations concerned by the poverty situation in Europe. In the latter part of this year, we hope the Commission will be asking various bodies to organize seminars in order to investigate ways and means of implementing action based on the themes identified as a result of the consultations we are now having.

In our view, this series of consultations and seminars is essential if we are to present to the Council a suitable and coherent set of proposals. It is very important that we get the evidence right, it is very important that we get the argumentation correct before we go back to the Council.

I am very mindful too that we should not have been able to hold these meetings if it had not been for the

decision of Parliament to allocate half a million units of account for this purpose in the 1983 budget. I am most grateful to Mr Boyes and to Parliament for having shown the political will to ensure that adequate funds are available for us to lay properly the foundations of our future work in the field of poverty.

I very much hope that when we do produce our proposals, Parliament will not only endorse them at the political level but will use its powers as a budgetary authority to ensure that adequate funds are provided to support that programme.

As I told the House last year, the conditions of the poor in Europe continue to worsen. As our final report on poverty demonstrated, the incidence of poverty is even higher than is generally believed. While the final report was talking about a situation that existed when the Community was enjoying economic prosperity, since then we have got the added horror of mass unemployment, and particularly long-term unemployment. There can be no doubt that, whereas we had 13 million poor in the Community in 1975, eight years ago, that figure is now much higher and is increasing rapidly.

I do not, of course, claim that action at a Community level is going to cure the evils of poverty in Europe. It is not. I recognize that the basic solution to poverty in the main rests, and indeed it always has done, on national economic and social policies. Nevertheless, as was demonstrated by the first action programme, the Community can play an important role, and here I want us to become more and more a voice that speaks out on behalf of the poor. We must have a programme which not only establishes their needs but also acts as a spokesman on their behalf. As somebody said in the course of the debate, if the European institutions do not speak on behalf of the poor, who then is their advocate?

We must, too, become more capable of disseminating information and knowledge about the conditions of the poor and become more skilled in offering solutions. If we can do this, we should be not only serving the interests of the poor but emphasizing — and I believe it needs emphasizing — that the Community is not only concerned with economic matters but also about people, about their well-being, their prosperity and their future. I welcome this report, Mr President, and I commend it to the Parliament.

Mr Boyes (S), rapporteur. — I would just like to thank the Commissioner for the good wishes expressed at the beginning of his speech and to congratulate him on what I think was a very fine response to this report by the Committee on Social Affairs and Employment in the speech he has made this afternoon. I saw him before lunch and told him that I was going to table a resolution tomorrow that

Boyes

he should be sacked. He will be pleased to know that after that speech it will not be tabled now, and that I really do thank him for his support for Parliament's efforts and only hope that the Council, by the combined voice of Parliament and the Commission together, will be put into such a position that they cannot but launch a new poverty project in early 1984.

President. — The debate is closed.

The vote will be taken at the next voting time.

*7. CAP and the external relations of
the Community*

President. — The next item is the report (Doc. 1-248/83) by Sir Fred Catherwood, on behalf of the Committee on External Economic Relations, on the impact of the CAP on the external relations of the Community.

Included in the debate is the oral question with debate (Doc. 1-435/83) by Mr Piquet and others to the Commission :

Subject: Sales of American agricultural products to
Egypt

As Mr Block, Secretary of State for Agriculture, recently testified to the American Senate, the United States is determined to 'pursue its aggressive export policy for agricultural products', concentrating particularly on traditional Community markets.

Following its sales of wheat flour, it is to sell 24 000 tonnes of butter and 12 000 tonnes of cheese to Egypt on terms which are in breach of the rules of GATT.

These operations, which come at the very time when discussions are being held between the Community and the United States, demonstrate that the pledges of good faith given by the Commission have been totally ineffective.

1. Could the Commission inform Parliament of the exact terms of these sales and their repercussions?
2. Is the Commission determined to adopt a more resolute stance in keeping with the importance for the economy of what is at stake?
3. Is the Commission prepared to propose counter-measures and to equip itself with the financial resources required to ensure that such events do not recur?

Sir Fred Catherwood (ED), rapporteur. — Mr President, the first point and the central point of this report is that the great success of the common agricultural policy in expanding production in the Community, a success far and away beyond what the founders

of the common agricultural policy anticipated, has now led to very substantial exports. Up to 10 % of Europe's exports are now agricultural trade exports. I think we have come to this point because there is nothing in the founding of the common agricultural policy that told us what to do when we got to the level of exports that we now have and discovered that those exports collided fairly vigorously with the exports of other major industrial exporters. So, in order to preserve the common agricultural policy, we have got to deal with a situation which was not envisaged by those who set it up. I think that it is necessary, therefore, to have some change of direction if we are to retain the intention of the policy, which was to provide self-sufficiency in Europe. Once you get over-self-sufficiency, you have to decide what to do with your increasing surpluses.

We have, in particular, run into collision with the United States of America. Now we have argued very strongly that we have not breached the GATT. We maintain that position, and the explanatory statement sets that out. Nevertheless, we have to remember that the United States has traditionally depended on 20 % of its exports being from agricultural trade, and those were profitable exports. What it now sees is a Community operating open-ended subsidies which undertake to dispose of any quantity at whatever price is required in international markets, however low that price may be. This has alarmed the United States very considerably. We have therefore got into serious disputes with it, and those disputes have spilled over into the General Agreement on Tariffs and Trade and were a major issue at the Ministerial meeting last November. That Ministerial meeting, which was very successfully concluded by Vice-President Haferkamp here — a brilliant achievement — nevertheless was an exceptionally difficult time. The fact that Vice-President Haferkamp succeeded there should not blind us to the difficulties that he had.

One of these difficulties was the row on agricultural trade and the threatened trade war there. This was defused by putting it into separate discussions under the GATT at Geneva, where it now rests. But in those discussions nothing of substance has been concluded, and we now need a major initiative from both sides equally to see that we defuse the trade dispute which threatens between us and which, in turn, threatens the General Agreement on Tariffs and Trade. This latter we absolutely have to preserve as the major instrument of world trading, if we are going to preserve intact the system of open and free trade in the world which has produced the biggest increase in trade and the biggest increase in wealth in the history of the entire world and which, if it is damaged, is irreplaceable. So we really are now dealing with the agricultural policy in terms of trying to preserve between the two major trading partners in the world, the United States and ourselves, the world trading system. Therefore, we really must deal with the United States on matters of substance.

Catherwood

Now it has been put to me that the United States subsidizes just as much as we do, and, of course, that is true. The expense to the United States Exchequer is as great as the expense to the European Exchequer. But that is not a reason for simply continuing to argue with the United States. That is another reason for saying to the United States: perhaps we could both sit down together and decide together how we wind down these subsidies so that we in Europe and the United States do not spend our time subsidizing consumers around the world who can perfectly well afford to pay a very much higher price. Why should we both be expending these enormous subsidies for the benefit of third parties? So, there is no reason why the United States and ourselves should not seek to scale down these subsidies. That is the central proposition here. Never mind that we have other arguments with the United States. Never mind that the United States is not perfect. Never mind that the dollar has forced their prices too high. They are there. They are major traders. They are major trading partners in agriculture and in other things. It is not reasonable that the 90 % of Community exports which make money and on which we absolutely depend for our lives and our standard of living, which is 10 times as great as that of the rest of the world, should be put at risk by the 10 % of our exports which need subsidies running as high as 50 % and increasing.

I do not mention here, of course, the crisis that has arisen because of these subsidies, and that is the crisis of the Community budget. Quite clearly, if we can scale down the subsidies, then we are scaling down this drain on the Community budget and we are solving at the same time the Community budget crisis. Furthermore, if we can put a stop to this open-ended guarantee, then we can look at the expansion of the Community budget on its merits. No one among the major contributors to the budget is going to agree very happily to an increase in own resources if, when you turn that tap on, all the hot water goes straight down the plughole! But if you put the plug in the plughole so that all the water does not disappear, then you can discuss objectively whether to turn the tap on or whether to turn it off. We want additional resources because we want to do something together. We look at that on its merits. Or we don't, because we have enough money. That is another case. But there is no point in discussing that when all of the additional money is ear-marked for subsidies to third parties, even though those third parties could easily pay a very much higher price.

Of course, we are told and have been told a lot during the last four years that the Third World needs the food. Of course! If the Third World is starving, it needs the food; and Community food aid does a good job. But one of the central things that has come out of this report, to my mind, is a very clear indication, set out with great detail in the explanatory statement, that these subsidies from the United States and ourselves

in particular depress Third World prices, put Third World farmers out of business and drive people from agriculturally productive land into shanty towns around the capitals.

You look at the shanty towns around the Third World and ask yourselves why do people come from the countryside to live in shanty towns where they have to be fed on imported grain that costs the foreign currency that those countries require for agricultural expansion. The answer is that Third World prices are too low because we with our open-ended subsidies are driving the Third World farmers out of business. Now we have the prospect of an enormous population explosion. We have discussed this with the FAO, and the FAO assures us that the increase of 50 % in the world population in 20 years is the middle-range estimate and that it might be more than that. If those people need to be fed, they can only be fed by bringing into production land in the Third World. That land will only be brought into production if they have considerably more resources and four-fifths of those resources have — in the FAO's estimation — to be brought in from Third World countries themselves. Therefore, it is necessary to raise those prices and to take off the Community's surpluses from world markets by winding down the export subsidies.

Of course, I recognize that there are very practical problems in this. How exactly do you do it? In this we have simply followed the Plumb report and the Commission. We have gone for quantum. But we have said here that the quantum limit ought to be at the limit of self-sufficiency. That is what the common agricultural policy was originally meant to do. Produce a self-sufficient agriculture in the Community, and that is a reasonable aim. So, central to this report, is the idea that quantum should be fixed at self-sufficiency and that, progressively, they should be reduced to that level. As they are reduced to that level, so, hopefully, Third World prices and other prices in world markets will rise and it will be possible for Community farmers to export at the higher world prices. If we cease to depress world prices, those prices will rise again. Therefore we do not intend to do this at the expense of the Community farmer. We intend to do it with the Community farmers. So this is, I believe, a report which does a proper reform for the common agricultural policy, bearing in mind our trading partners and the Third World and the interests of the Community farmers themselves. If we do not do this, we will run out of money very shortly and the common agricultural policy will break down.

(Applause)

Mr Gautier (S), *draftsman of the opinion of the Committee on Agriculture*. — (DE) Mr President, ladies and gentlemen, on behalf of the Committee on Agriculture I should like to comment on the subject of agricultural policy, and, more particularly, its inci-

Gautier

dence on Community exports and imports. I think we would all agree that the Community finds itself in a difficult situation in this sector, both as regards agricultural exports and imports in relation to Community industrial exports and imports. I believe one can discern a lack of coherence in Community policy. That policy is often characterized, on the one hand, by unbridled protectionism while we are simultaneously striving to attain a free external trade regime for Community industrial exports, on the other.

If we examine both conditions under which Community export policy is pursued, we come to the conclusion that we have a legal instrument governing the industrial sector and a target for our external economic policy but that we lack a clear conception for external trade in agricultural produce and have, instead, opted for a derivative of the CAP. I therefore subscribe to Sir Fred Catherwood's comments, on behalf of the Committee on External Economic Relations, to the effect that we should also have reservations about the internal functioning of the CAP.

The opinion formulated by the Committee on Agriculture reiterates its formal support for the conclusions contained in Sir Henry Plumb's report of 1981, from two points of view. On the one hand I believe that we can be cautiously optimistic about the possibilities afforded to Community exports of agricultural produce when we offer products of flawless quality and careful processing. This is where we should place the emphasis. The Plumb report also identified this area as the most promising one at the time. Secondly, and this brings me back to my contention that Community export policy in agricultural produce is no more than a derivative of the CAP, we must naturally take account of the repercussions on Community external trade of our own agricultural policy and come to the conclusion that the Community will have to put an end to such open-ended price guarantees for agricultural produce. The Community must apply some form of quantum, for better or worse, not least for external economic reasons. Such was also the tenor of the Plumb report.

For my third point, I turn to agricultural imports. The Committee on Agriculture supports the Commission's endeavours to achieve a degree of stabilization of such imports.

We cannot pursue a policy of encouraging maximum agricultural production within the Community while continuing to arbitrarily increase own imports of cereal substitutes from third countries. We support the Commission's intention to negotiate a suitable agreement with the United States on Community imports of such cereal substitutes as corn gluten feed. On the other hand I would reiterate the Community's interest in obtaining the agricultural raw materials necessary for the development of our agricultural industry at world market prices. I would support this argument by making reference to Parliament's recent adoption

of the Sälzer report on the need for a common Community research policy in which we once again underlined the importance for our industry of the availability of cheap raw materials for our agricultural sector.

For my fifth point I would like to inform the House of the Committee on Agriculture's explicit support for the preferential agreements, which it views as a judicious policy and one which should be extended. Without going into detail on this, I would remind the House that our external economic policy in agricultural produce is part of the Community's global external policy, which also embraces Mediterranean policy. As such we cannot simply refuse Community access to one or other product and, in so doing, endanger our global Community external policy. In this respect preferential agreements are a judicious instrument.

My penultimate point, and one which echoes the sentiments of Sir Fred Catherwood, is that once we have taken the decision to export we should endeavour to obtain the highest prices available, given that we have customers in many corners of the globe who are well able to bear such prices. There is no logical reason why we should sell butter to Saudi Arabia at subsidized prices. We have reiterated our support for the tender as affording the optimum solution for Community exports of agricultural produce.

I would like to conclude with a reference to cooperation on world markets. I believe it is futile for exporters to spoil world markets through excessive recourse to subsidies from budget resources. We ought to engage in a sensible dialogue with exporters from Australia, New Zealand, the United States and Argentina with a view to stabilizing world markets through price agreements and we should enter into international agreements, such as the sugar agreement, as a Community, in conformity with the explicitly formulated opinion of the Committee on Agriculture.

IN THE CHAIR : MR KONSTANTINOS
NIKOLAOU

Vice-President

President. — We shall now adjourn the debate on the Catherwood report ; it will be resumed tomorrow morning.

8. *Topical and urgent debate (announcement)*

President. — (GR) Pursuant to Rule 48 (2), the list of subjects for the topical and urgent debate to be held from 10 a.m. to 1 p.m. on Thursday, 7 July 1983 has been drawn up.

(*The President announced the list of subjects*)¹

¹ See Minutes.

President

Pursuant to the second subparagraph of paragraph 2 of Rule 48, any objections to this list, which should be tabled and justified in writing by a political group or at least 21 Members, should be submitted by 3 p.m. the following day. The vote on these objections will take place without debate at 3 p.m. tomorrow.

Sir Peter Vanneck (ED). — Mr President, despite the best efforts of the interpreters your machine gunlike delivery of what you have just read out at very high speed leaves me in some doubt as to how I should proceed to assure that my emergency resolution on drought in Southern Africa is taken. We have had a wonderful *resumé* of all you approved, but I may I ask for guidance from the Chair as to the stage at which I can request that resolution, which you have not mentioned, be voted on?

President. — (GR) Sir Peter, I was quite explicit about that. Since your motion for a resolution is not on the list, you are entitled, pursuant to the Rules of Procedure if you can collect 21 signatures or obtain the support of your political group, to have it voted on at 3 p.m. tomorrow.

(Sir Peter Vanneck remonstrated vigorously and the President asked for the microphone to be taken from him. However, Sir Peter continued with his intervention without the microphone.)

Sir Peter, you have said the same things three times. I get your meaning. I repeat, therefore, slowly, so that you can follow the interpretation, that, pursuant to the Rules of Procedure, if you can obtain the support of your political group or collect 21 signatures, you may put your motion for a resolution to the vote at 3 p.m. tomorrow. Then if the House agrees, it will be placed on the agenda for Thursday. However, since you have raised the matter, I want to make a general comment. Even if many colleagues are unable, because of the interpretation, to understand some of what is said from the Chair, they will have time to consult today's minutes which will be available tomorrow in order to learn what they will be doing at 3 p.m. I think that is the end of the matter.

9. Question Time

President. — (GR) The next item on the agenda is the first part of Question Time (Doc. 1-490/83).

We shall begin with questions to the Council.

Question No 1 by Mr Normanton (H-749/83):

The European Community has consistently called for the total evacuation of all foreign forces from the Lebanon, recognizing that both Israeli and Syrian troops are in the Lebanon against the wishes of the legitimate government of that country.

The EEC has a number of cooperation agreements with third countries, including with Israel and Syria, both of these agreements being identical.

Can the Council of Ministers give an assurance that the Community at all times adopts an even-handed approach when dealing with these two States engaging in the Lebanon conflict, and that this has applied and will continue to apply in particular to the two cooperation agreements and their financial protocol.

Mr Charalambopoulos, President-in-Office of the Council. — (GR) In April 1981, Mr Tindemans, as President of the Council, had the opportunity to familiarize the competent committees of Parliament with the essential content of the — as they are called — second generation financial protocols which have been entered into with the countries of the Maghreb and the Mashreq and with Israel. I remind you that the negotiations were based on an overall assessment of, on the one hand, the Community's ability to offer help, and, on the other, the needs and level of economic development of the countries concerned, in keeping with the overall and balanced approach on which the Community's Mediterranean policy is based.

The negotiations with the various countries concerned had a successful outcome and the second financial protocols with the countries of the Magreb and the Mashreq came into force in the first half of this year. As you know, the position taken on Israel by the Ten in June of last year, in view of the invasion of the Lebanon, led to the signing of the financial protocol with Israel being delayed.

At its last meeting in Stuttgart the European Council decided that the preconditions for the signing of the second financial protocol with Israel had been fulfilled. This protocol was signed on 24 June and will come into force as soon as the necessary procedures, and especially the consultation of the European Parliament, have been completed.

Mr Normanton (ED). — May I first of all thank the President-in-Office for that extremely lengthy reply which really means that only within the last few days has the Financial Protocol with Israel been put into operation. But will the President-in-Office not declare, and use this occasion to do so, that peace in the Lebanon is now being held up by Syria and Syrian intransigence on coming to agreement with the Lebanon? And will he adopt exactly the same procedure *vis-à-vis* Syria as the Community did against Israel? Or is this to be another example of double standards in the field of international negotiation — a principle which this House would universally deplore?

Mr Charalambopoulos. — *(GR)* I will gladly answer the Member's question, and I remind him that the problem, as laid out by me in my statement this morning marking the assumption by Greece of the Presidency, is complex, intricate and difficult, and that all of us hope and wish for it to be tackled in an overall, I would say, global, manner. Given this, we shall, as is right, await developments in the region, developments which no one can safely predict. We should like these developments to take a positive course, and to lead, ultimately, to agreement by all the interested parties on a global approach to the problem of bringing peace to the Middle East, so that a proper, fair and lasting solution can be found for this — for the peace of the world — crucial and enormously important issue.

Mr Marshall (ED). — In describing the situation in the Middle East as complex would the President-in-Office of the Council not agree that complex situations demand somewhat less one-sided statements than he gave this morning? And would he not confirm that the United States of America is paying the Israeli Government to keep Israeli troops in the Lebanon as a peace-keeping operation and that it is the Syrians who are refusing to go and who are refusing to allow all foreign troops to leave the Lebanon and that it is the Syrians who are stirring up the PLO into waging war against their leaders and it is the Syrians who are the destabilizing force in the Middle East and that the Community ought to do something to take action against them?

President. — *(GR)* The Chair would propose that you reply now, Minister, since you have risen, but that afterwards you give an overall answer to the ensuing supplementaries.

Mr Charalambopoulos. — *(GR)* I would prefer to answer the supplementary from the honourable gentleman right away, and to recall the reference to the Middle East in the statement by the European Council at the meeting in Stuttgart.

The statement read as follows: The Heads of Government consider that the restoration of full sovereignty and the achievement of a lasting peace in the Lebanon can only be achieved after the full and rapid withdrawal of foreign troops from Lebanese territory, except for those whose presence is desired by the Lebanese Government.

Mr Bonde (CDI). — *(DK)* Can the President-in-Office tell us whether the Greek Presidency intends to bring its views on Middle East policy into line with the decisions that have been taken within the framework of European Political Cooperation?

President. — Mr Bonde, we have said that there will be a general answer from the Minister at the end.

Mrs Baduel Glorioso (COM). — *(IT)* May I say first of all, just by way of a brief introduction, that I very much welcomed the statements made this morning by the President-in-Office on the need for a lasting peace in the Middle East. However, the question which I want to put the President-in-Office of the Council of Ministers is this: did the Council of Ministers consider that it was sufficient for Israel, in the agreement with Lebanon, to say that it would withdraw troops from the country, and is its position adequate as regards the very harsh, permanent occupation of the West Bank and the Gaza Strip, which has brought about a reaction in the United States, and also as regards, finally, the condition of prisoners held in Israeli camps in Lebanon, which has been documented very precisely?

Sir James Scott-Hopkins (ED). — On a point of order, you are creating, are you not, a precedent in saying that the Minister need not answer each individual question as it is put to him, that he can wait till the end of the supplementaries and then answer in the round? This is a procedure which this House has not had in the past and it is something which, to my mind, is absolutely unacceptable.

(Cries of 'hear hear')

Maybe you have this in the Greek Parliament — I do not know, Sir. But certainly in any parliament that I have ever seen or watched they do not have it. The Minister can get out of answering a question he does not want to answer if you do it this way. So I do suggest, Sir, that leaving aside what has happened up to now, you would suggest to the Minister, and I am sure he would be willing, to answer every supplementary question as it is put down.

(Applause)

President. — Sir James, if I may reply to the remarks you have just made, it is not true that the President-in-Office of the Council has never answered several questions at once. When there were similar questions on the same subject, I have often seen other Vice-Presidents, when in the Chair, going along with this method of proceeding.

(Mixed reactions)

Anyway, the Chair is entitled to decide whether many or few supplementary questions may be admitted on the same subject.

Mr Charalambopoulos. — *(GR)* I have no difficulty whatsoever in answering the Members' questions, and if you come to think of it, I have myself got experience of this House. There are questions which are similar in content, and it is possible for the Minister to save time by giving an overall answer to them. However, as far as I am concerned I have no difficulty in answering each question by itself.

Charalambopoulos

I would like now to answer the two questions which were put before Sir James Scott-Hopkins spoke, and to say that in my statement this morning I said, amongst other things, that we are prepared, as a Presidency, to do whatever we can to bring peace to the Middle East region. I believe that if this is looked at closely one must give the interpretation that many of us, or rather most or even all of us, would like, that is, to see a genuine peace settlement in the Middle East, a settlement which is permanent, fair and durable.

Mr Alavanos (COM). — (*GR*) I would like to raise a procedural matter and to put a supplementary question. On the procedural matter I will be very brief. In view of the Minister's ability and willingness to answer the questions I think it would be better if we implemented the procedure applied by Lady Elles: an immediate answer to each question, that is, but only one question from each group because there is a real danger of our staying too long on one question and leaving the others without an answer. I believe that the procedure applied by Lady Elles is the best, and I think that all the other Members will agree.

As my supplementary I would like to ask the President of the Council this question. Does this general objective help towards bringing peace to the Middle East? There is, however, also a query which is related to Mr Normanton's question. The actions of the Council, and specifically the freeing of the protocol, are an expression, in fact, of one-sidedness which, in the final analysis, tips the balance in favour of the forces which are undermining peace efforts in the Middle East. And I would like to ask the Minister how he has removed Israel, and the problems and dangers it has created as regards a peaceful settlement in the Middle East, from the equation, at a time when it is still in the Lebanon and when Israeli leaders are saying that the occupation there will continue for another five years at least. When the occupation of Gaza, the Golan heights and the West Bank continues.

Mr Charalambopoulos. — (*GR*) I mentioned earlier in connection with the statement by the European Council in Stuttgart, the agreement between Israel and the Lebanon is considered to be a step towards the achievement of the sort of peace settlement I have defined, towards the peace settlement all of us have in mind. Naturally, there will need to be other steps. If, ensuingly, steps are taken by all sides which will satisfy the just demands of the peoples and States of the region on a more general basis, I believe that this position of the European Council in Stuttgart opens a way to a solution in a manner which enables us at last to speak about a real peace settlement in the Middle East.

Mrs Tove Nielsen (L). — (*DA*) The President-in-Office has said that all foreign troops must leave the

Lebanon and added that all foreign troops, whom the Lebanon wanted out of the Lebanon, are to go. While I am happy that the Council has now signed the Financial Protocol with Israel. I should like to ask what is going to be done to get the Syrian troops out of the Lebanon? It is my understanding that the Lebanon definitely does not want Syrian troops to stay. The point at issue here is that all foreign troops should leave the Lebanon. Israel has taken a step — an important step — in showing its willingness to pull its troops out of the Lebanon at precisely the same time as all other foreign troops are withdrawn. Syrian troops have, after all, been in the the Lebanon for many years. What does the Council intend doing to persuade Syria and its troops to show the same willingness?

Mr Charalambopoulos. — (*GR*) I have already answered the Member's question. On the point in question the Council of Ministers will — as I stated this morning — do its utmost to help in leading this much yearned after region to a just and lasting peace.

For its part the Greek Presidency will make every possible effort and — as I stated this morning — Greece could, because of its special links and the access which it has, function as a country able to offer its good services in such a manner as to give us hope for a lasting and just peace in the region.

Mr Davern (DEP). — May I first of all welcome the Greek Presidency to the Parliament.

I would ask the President-in-Office to allay my fears and those of many other people who believe in democracy that the office of the Presidency in the peculiar situation it finds itself in *vis-à-vis* Israel will not be misused in that period. Since many of us believe that the Commission over-reacted. Would the President-in-Office ensure that his actions are based on fairplay to the Israeli community and that the Syrian and Israeli communities are treated on the same basis?

President. — (*GR*) I think that is not even a question.

Mr Davern (DEP). — Mr President, you assumed that I did not put a question. I did say it was a question. I asked for a guarantee from the President-in-Office of the Council — a guarantee that we in this Parliament who believe in democracy insist on — that the Presidency will reflect the views of the Community as a whole and not those of one Member State.

Mr Charalambopoulos. — (*GR*) Things are not as the Member makes out. I think that he should be satisfied with what I stated very comprehensively this morning, namely, that during the time of the Greek Presidency every possible effort will be made to achieve progress which can lead to a peaceful settlement in the Middle East.

Mr Bonde (CDI). — *(DA)* I asked a question. I take it that you will provide me with an answer.

President. — Could you repeat your question, please?

Mr Bonde (CDI). — *(DA)* Can the President-in-Office say whether the Greek presidency will in some way seek the application in Greek policy towards the Middle East of the decisions taken within the framework of European political cooperation?

Mr Charalambopoulos. — *(GR)* Despite the fact that this question has nothing to do with the original question I will put down this matter for an answer myself. And I do so because if the Member wishes to understand the position of the Greek Government he should ask the President of the European Parliament for the text of the declaration on European unity where he will find all the information he requires.

Mr Gerokostopoulos (PPE). — *(GR)* Mr Alavanos put a question to which we would like you to give us an answer. Other colleagues of yours who preside over this House have established the practice of accepting only one supplementary question from each political group. You will recall that this rule was applied last week when Lady Elles was in the chair. Do you think that you too could apply this procedure? Otherwise, if we do not follow this extremely practical procedure, which is a product of the practical English mentality, there is a risk that only one or two questions will be debated at each Question Time.

President. — *(GR)* You are right in what you point out, but this system cannot always be applied because account has to be taken, on the one hand, of the political groups, and, on the other, of the nationalities. It is not just a matter of political group, it is also, sometimes, a matter of nationality. Anyhow, the Bureau accepts the essence of your observation and with the next question will endeavour to limit the number of speakers.

Mr Gontikas (PPE). — *(GR)* I would simply like to observe, as regards what you have rightly said, that the right to submit questions belongs neither to political nor national groups. It belongs to the Members individually. And I do not think any one of us is disposed to renounce this right.

President. — That is another reason why the person presiding has to judge for himself each time how to handle the whole affair. However, let us continue please with Question Time and not lose any more time with procedural questions.

Question No 2 by Mr Adam (H-83/83):

In its statement on internal market problems to the European Council Meeting in Brussels (22/23 March 1983) the Commission concluded that the

lack of progress was caused by 'civil service inertia'.

How far does the Council concur with this view?

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — *(GR)* During the special part-session of 29/30 June the Council replied at great length to the question put to it by the Committee on Economic and Monetary Affairs concerning the progress being made in implementing the internal market.

I do not intend therefore to go into the matter any further. The only thing I would stress is that the Council has gone to great pains about this whole matter and will continue to do so. Even if the programme envisaged has not yet been fully put into effect, clear evidence has been given of political will, and that quite independently of how one may be inclined to judge the approach of national authorities.

Mr Adam (S). — Not only have we made history today, as this is the first time that the Greek President-in-Office of the Council has appeared to answer questions — which I very much welcome — but we nearly made history by only managing to answer one question. I am jolly glad that Question No 2 was called. I must apologise to the President-in-Office of the Council for the fact that my question took a long time to reach him.

I notice it says in the Commission report: one Member State this... one Member State the other... two Member States have reservations on another point. Would it help if the Council made it clear in the statements at the end of its deliberations which Member States had reservations on these points so that we can identify them?

Mr Charalambopoulos. — *(GR)* In answer to Mr Adam I want to say that I will take note of his observations, and that I believe that at my next appearance here, or later perhaps, I shall be in a position to give him the information he has asked for.

Mr Moreland (ED). — Could I ask the President-in-Office of the Council if he is saying that the difficulties and the inertia are present at the political level because of political difficulties or whether the difficulties are primarily technical and on matters of the details and of getting agreement on these details?

Mr Charalambopoulos. — *(GR)* What I can state at this moment is that I am not authorized to make a personal reference — off my own bat, I would say — to the matters raised in the supplementary questions.

President. — Question No 3 by Mr Hutton (H-153/83):

In view of the fact that the Council has agreed that a delegation of the Political Committee of

President

Parliament should meet members of Coreper, will the Council extend the Parliamentary accountability of Coreper so that the Presidency will in future answer questions by Members on the activities of Coreper?

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) At the meeting which took place on 24 January 1983, between the enlarged Bureau of the European Parliament and the Foreign Ministers of the Member States of the Community, Mr Rumor proposed the creation of a contact group to study the resolutions passed by the European Parliament concerning the Community's institutions.

At the sitting of the European Parliament on 12 April 1983, my predecessor, Mr Genscher, proposed that the contacts requested by the European Parliament be conducted, as far as the Council was concerned, at the Coreper level, something, moreover, which the European Parliament itself desired. To date, however, the Council has not taken any decision in respect of this matter.

Under Article 4 of the Treaty concerning the establishment of a Joint Council and a Joint Committee of the European Communities it is envisaged that a committee composed of permanent representatives of the Member States shall have the task of preparing the work of the Council and of carrying out the mandates entrusted to it by the Council. The Committee of Permanent Representatives is wholly dependent on the Council, and in consequence is accountable only to the Council.

Mr Hutton (ED). — I am grateful to the President-in-Office for giving us the timetable he has, but as his timetable shows, the Council have not reached agreement six months after this proposal was first made. Could the President-in-Office tell us if he still hopes to win the agreement of his colleagues to a contact group, or may we in this Parliament simply regard this as another example of the Council's failure to establish a good working relationship with this Parliament?

Mr Charalambopoulos. — (GR) I have noted the points made by the honourable Member and will pass on the essentials of what he has said to my ministerial colleagues at our first meeting.

Mr Bonde (CDI). — (DA) Will the President-in-Office see to it that in future the proceedings of Coreper are subject to some kind of public control? After all, what they are doing is legislative activity in the very highest sense, and this is subject to various kinds of public control in the Member States.

Mr Charalambopoulos. — (GR) I think that the answer I gave previously applies here also.

Mr Enright (S). — Would the President-in-Office, whom I know to be a man dedicated to democracy, not agree that Coreper behave like latter-day satraps by eluding the democratic control of both the European Parliament and their national parliaments through the intervention of the Council and that that is why they often behave in the most absurd fashion and the Commission regularly carries the can for their absurdities? Would he not therefore apply the democratic spirit to them?

Mr Charalambopoulos. — (GR) The Member is aware, of course, that Coreper is under the jurisdiction of the Council of Ministers. I believe that this gives an answer to his question.

(Miss Clwyd requested the floor)

President. — (GR) I cannot give Miss Clwyd the floor, firstly because she too, like Mr Enright, belongs to the Socialist Group, and, secondly, because she too is English. Consequently, since there are other groups which have not spoken, I am unable to give her the floor.

Miss Clwyd (S). — Mr President, on a point of order. I am Welsh. That is an entirely different nationality, I object to this discrimination

(Applause)

and I would ask you to reconsider your decision. You would not like to be considered sexist because, I notice, no women have been called during this question.

(Laughter and applause)

President. — (GR) I give the floor to Mr Alavanos and I will think about your case afterwards.

Mr Alavanos (COM). — (GR) Mr Hutton's question raises the issue of control of the Council by Parliament. On this issue of control I would like to put to the President of the Council the following supplementary question. What control do the national parliaments — not the European Parliament — have over the representatives of the governments of the Member States, given, indeed, that informal and inter-governmental meetings take place without the competent national bodies, such as the parliaments, being able to exercise a check over them or to raise issues, etc? As a specific example I mention the declaration on European unity which was made in the complete ignorance of the Greek Parliament.

Mr Charalambopoulos. — (GR) I think that I should not broaden matters in replying to my dear colleague, Mr Alavanos. I will just confine myself to what I elucidated when answering the original question, namely that, and I stress this, Coreper is wholly dependent on the Council, and, in consequence, is accountable only to the Council.

President. — As regards Miss Clwyd I want to say that a female colleague, Mrs Nielsen, has indicated a view already, but if the whole House agrees for her to put a last question I will gladly allow her to do so. What does the House wish, shall we give Miss Clwyd the floor? Miss Clwyd, please put a brief question.

Miss Clwyd (S). — I too would like to join those who have welcomed our former colleague, the Greek Minister, back to the Parliament. I hope he will find future Question Times more pleasurable than this one has been for him.

I think it is important that he understands that there is great concern about the growing and, some of us feel, insidious influence of Coreper. There are already two insitutions in this Community which hold their deliberations in private. Parliament is the only one which holds its deliberations in public. Now we have a fourth institution, and I would ask the Minister whether he would agree that this meeting between Coreper and the Political Affairs Committee has created a precedent and that other committees of Parliament may also send delegations for discussions with Coreper on matters of importance to them.

Mr Charalambopoulos. — (GR) First of all I thank my lady colleague for her kind words to me personally and about my former status. Concerning the latter I feel quite familiar in these surroundings because I have been previously acquainted with very many of the Members and hold their work in high regard.

On the question, however, I would like to repeat what I said in my initial answer. Namely that, pursuant to Article 4 of the Treaty, a committee composed of permanent representatives of the Member States shall have the task of preparing the work of the Council and of carrying out the mandates entrusted to it by the Council. The Committee of Permanent Representatives is therefore wholly dependent on the Council, and, in consequence, is accountable only to the Council. This article defines the work of the Permanent Representatives in lucid terms and I see nothing secret in it, nor anything which runs counter to the Treaties.

(Applause)

President. — Question No 4 by Mr Kaloyannis (H-158/83):

Last week in Greece, the government-controlled television network refused to allow the leader of the official opposition, Mr Evangelos Averof, to appear and state his party's opinions on Greek issues of general interest. Moreover, the same week, the government-controlled radio station in its programme 'Review of the Press' grossly distorted the leader of the newspaper Kathimerini which read 'Disagreement between ministers Arsenis and Varfis on EEC memorandum' (in the radio broadcast the following headline only was

given: 'Disagreement on EEC memorandum'). The subheading which said that the Prime Minister had refused to accept the resignation of the Minister of Foreign Affairs was also left out. Does the Council intend to seek an explanation from the Greek Government or, at least, from its minister responsible and inform the European Parliament on the matters referred to above?

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) In answer to my colleague, Mr Kaloyannis, I have to say in a nutshell: the question he has tabled does not fall within the purview of the Council of the European Communities.

Mr Kaloyannis (PPE). — (GR) I deeply regret that my question has coincided with the first appearance of my compatriot, the President-in-Office of the Council of Ministers. I regret also that the subject of my question has to do with the proper functioning of the democratic system in our country which is the home of democracy. I stick with the question, nevertheless, and ask the Minister, with all the sympathy and regard which I feel for him, whether the obstruction of democratic dialogue in the press constitutes infringement of a people's individual freedoms.

(Mixed reactions)

How is it possible for the European Community, the European Parliament, not to indicate some concern when the Minister himself has declared his attachment to the proper functioning of the democratic system in the Community?

(Applause from the Right)

Mr Charalambopoulos. — (GR) I repeat what I said before. Namely, that the matter does not fall within the purview of the Council of Ministers. I would also like to remind the gentleman, after assuring him that the feelings of regard are mutual, that I gave an answer this morning on certain matters of a similar vein which were raised then. I believe that this is the spirit which prevails and must prevail in this Chamber. It is not feasible for inter-party bones of contention in the various Member States, whether there is justification for them or not, to become subjects of debate in the European Parliament, and even less so for the Council of Ministers.

(Applause)

Mr Boyes (S). — On a point of order, Mr President, I would ask you to be stronger on interventions like the last one. Question Time is a very important time for most of us, and we want to put a number of searching questions to the new Minister. For the last speaker, Mr Kaloyannis, to make it a speech — he even said 'winding up' — and not a question — I think that should be stopped. We should not be fighting the problems of Greece in this Parliament, and I think you should rule them out of order.

President. — *(GR)* Mr Boyes, the Bureau has heard your comments. It also heard the explicit words of the President of the Council of Ministers. If, after that, certain colleagues insist on putting supplementaries, that is their right. The House is their judge.

Mr Alavanos (COM). — *(GR)* Mr President, I too would like to underline what Mr Boyes has said. I remind you, moreover, that the position taken by the President of the Council of Ministers is in line, for the major part, with the view of Parliament. I would also like to remind you of the procedure applied by Lady Elles in the case of the similar question put by Mr Rumor, when the European Democrats in the person of Mr Welsh stated that it constituted interference in ...

President. — *(GR)* On which rule are you basing your argument, Mr Alavanos?

Mr Alavanos (COM). — *(GR)* On the precedent of the question by Mr Rumor.

President. — *(GR)* It is not for you to make such judgements.

Mrs Elaine Kellett-Bowman (ED). — We welcome the Minister here giving us the courtesy of his answers. But may I say that I heard this original reply to that question with very considerable surprise. Is not a free press and free television a guarantee of democracy in all Member States and therefore should it not be within the purview of the Council and should not opposition leaders and trade union leaders in all countries be free to express their views in the press and on television and surely it is a matter for the whole Council that this should be the case?

Mr Charalambopoulos. — *(GR)* I really do want to say that I am saddened by the way the discussion of this matter is turning out. What goes on in the Member States, what differences exist between the parties, if there are differences — and for there to be genuine pluralistic democracy there must be — these are matters for the peoples of the Member States to pass judgement on. They are not the sort of things that can be debated in the European Parliament, still less occupy the time of the Council of Ministers. I think that the discussion should come to an end with these words. As far as the Council of Ministers is concerned, an answer has been given not only by the Greek Presidency but by previous presidencies as well.

Mr Israël (DEP) — *(FR)* I have no intention whatsoever of dragging out this debate. With your permission I shall ask a final question of the Minister. Sir, I understand your annoyance at being forced to discuss a domestic Greek issue and indeed you would be quite justified in telling us that the discussion is

closed. I am obviously not the President-in-Office of Council, but in your shoes, Mr President, I would have tried to reassure the House with a general statement *(Applause)* on the interest in this House and in the Community in seeing parliamentary democracy respected and freedom of expression defended everywhere.

(Applause)

Mr Charalambopoulos. — *(GR)* First of all I want to tell Mr Israël that there is no annoyance — because he spoke about annoyance at the turn taken by the discussion on this matter. It is not a question of annoyance. It is a real and practical situation which the Council of Ministers has to cope with and handle, and Presidents of the Council of Ministers have given similar replies on like matters in the past. I do want to say this, because I have not been annoyed in the slightest. Indeed, if you want, I can go a little further and tell you that in my country democracy is thriving splendidly.

Mr Papaefstratiou (PPE). — *(GR)* As you know, I had asked to speak on procedure, but I would not wish to go back to that now out of respect for the Minister's reply, even though I disagree with it. However, in view of next year's European elections I would like an answer from the Minister to the following question.

Does he or does he not think that political parties should be given complete equality to express their views in all the Member States of the EEC where European parliamentary elections are due to be held at the same time and, particularly, in those of them where there is government control of the mass media?

President. *(GR)* Mr Papaefstratiou, your observation was not about procedure and I do not think it merits an answer.

Mr Marshall (ED). — Of course, Mr President, I would not dream of bending the rules as some people have done this afternoon. And can I refer you to the agenda which said that there should be one hour set aside for the Council and half an hour for the Foreign Ministers. As Question Time did not start until 5.40 p.m., the Council has not had its hour and the Foreign Ministers are going to be robbed of part of their half hour. Could I suggest, therefore, that one gives the Council their full hour and you ask the next question?

President. — Mr Marshall, you know that there is an agenda which we voted for yesterday afternoon, and that we must finish questions to the President-in-Office of the Council of Ministers at 7 p.m.

So let us move on to questions to the Foreign Ministers.

President

Question No 21 by Mrs Ewing (H-520/82):

Will the Foreign Ministers condemn the South African regime's increasingly brutal repression of trade unionists in that country?

Mr Charalambopoulos, President-in-Office of the Council of Foreign Ministers. — (GR) The Ten keep a constant watch on developments in South Africa in the context of political cooperation and, jointly and each country separately, have repeatedly condemned violations of human rights in that country. They have also expressed deep anxiety about the system of arrests and exile without trial which prevails in South Africa, particularly in cases of the arrest and detention without charge of trades unionists.

I would like to remind you that on 11 October 1982, the Danish delegate, addressing the General Assembly of the United Nations on behalf of the Ten, delivered a trenchant criticism of the situation and stated that this practice is fundamentally unjust. In addition, on 10 November 1982, during the UN debate on apartheid, the Danish delegate reaffirmed the support of the Ten for those who have been arrested because of their opposition to apartheid and added that the number of those detained without trial, the arrests and the deaths in South African police custody are proof of the systematic and unhesitatingly repressive measures being applied against those who are working for justice and an equal society.

I would like to stress once more that developments in South Africa will continue to be watched very carefully.

Mrs Ewing (DEP). — May I thank the President-in-Office for his answer, the first answer in Question Time to me personally, and welcome him here. May I ask, in the light of his answer, what discussions have the Foreign Ministers in political cooperation had on the recent decision of a Member State namely the UK, to use South Africa as a staging-post for the Falklands. Does the President not think that this will be seen as a kind of political encouragement of this extremely repressive regime, especially in the eyes of our Lomé associate countries?

Mr Charalambopoulos. — (GR) I can assure the lady, just briefly, that this matter will be discussed.

Mr Boyes (S) — Could I too take this opportunity of welcoming the Minister to Parliament. He made a very positive contribution in Parliament and I am sure if the verbal thugs on the right will give him the opportunity he will make a positive contribution as a Minister.

Could I ask, as a supplementary to Mrs Ewing's question, would you agree, Minister, that Member States should break off all sporting relations with South Africa as long as the apartheid regime continues, and

particularly when it continues to do the kind of things Mrs Ewing mentions in this question?

Mr Charalambopoulos. — (GR) Dear colleague and friend, I would like to assure you that no discussion has yet taken place on this point. However, I would like to underline — and this is my strongly felt personal opinion also — that the Olympic ideal is not compatible with racial discriminations of any sort.

Sir Peter Vanneck (ED). — Thank you, Mr President, for calling me after our previous exchange. Forgive me though if I quote Roman to a Greek: *'Timeo danaos et dona ferentes'*. I would like to ask the Foreign Minister if he is aware that the last job reservation which included blasting certificates in South Africa was abolished only last week and that there are now no job reservations left in South Africa at all for trades unionists and that negotiations are taking place for the first time in South African history between the mining employers and the black mining employees? And whether, with that in mind, he feels that it is appropriate that a country at the other end of the world should be singled out for this abuse when we have in Europe within a thousand miles of here Poland and Solidarity in conditions of brutal repression of trades unionists?

Mr Charalambopoulos. — (GR) As you will surely know, the situation has not changed. But following what you have said it is something that I will bear in mind, and I would like to assure you that I will discuss it with my colleagues at the next meeting of the Council of Foreign Ministers.

Mr Brøndlund Nielsen (L). — (DA) I asked to speak on the previous question, because I had a comment to make on the answer you gave to Mr Papaefstratiou. But I understand, Mr President, that it is difficult for you to see all the way over here and turn your head so far in my direction.

Mr Fich (S). — (DA) We recently had a written résumé here in Parliament of the investigations which have been carried out into the activities of the multinational corporations in South Africa, and it showed above all that there were great differences in the conduct of the multinationals from Community countries, for example in their relations with the trade unions. I should like to ask whether the reports which have emerged on the multinationals' relations with the unions in South Africa constitute grounds for considering changes in the Community code of conduct, for example that we could in certain circumstances make the Community code of conduct binding on the multinational corporations?

Mr Charalambopoulos. — (GR) I note the Member's observations and I will discuss them with my colleagues in the Council of Ministers.

Mr Israël (DEP). — (FR) Mr President-in-Office, do you not think that in view of the dramatic situation in South Africa it would be wise for the European Community to come out definitively in favour of the abolition of the death penalty in South Africa and that in that case we would have at least served the cause of peace in the world and in this region in particular?

Mr Charalambopoulos. — (GR) Mr Israël, the answer I could give at this moment would, I think fall within the wider ambit of the answer given to Mrs Ewing. What you have said is, in fact, very important, and the Council of Ministers will, of course, discuss this matter along with other associated problems being created in South Africa on account of developments which will be borne in mind.

President — Since the following questions are all on related subjects, we shall take them all together.

Question No 22 by Mr Kaloyannis (H-173/83):

As is known, Cyprus, as a sovereign State with a single recognized government, has had links of cooperation with the EEC for years. However, since the recent United Nations resolution, which was completely objective but unfavourable to the Turkish side, Mr Denktas, with Members of Parliament from the Turkish Community, is now threatening to proclaim the northern section of Cyprus, which is occupied by Turkish troops, a separate State, and to make the Turkish pound legal tender in that area. In view of the fact that if these threats are carried out it will, apart from anything else create complications in the cooperation agreement between Cyprus (under the official Cypriot Government) and the European Community, as well as provoking a dangerous upheaval in the S.E. Mediterranean, can the Foreign Ministers meeting in political cooperation state what steps they propose to take to prevent such occurrences?

Question No 30 by Mr Kyrkos (H-197/83):

Do the Foreign Ministers meeting in political cooperation intend to take precautionary measures in the face of the repeated threats made by the Turkish Cypriot leader, Mr Denktash, to the effect that he will proclaim an independent Turkish Cypriot State in Cyprus? If not, what would be the measure of their responsibility should Mr Denktash carry out his threat?

Question No 32 by Mr Lagakos (H-202/83):

In view of the fact that the Greek Government has sent a letter to the EEC on the threats by Mr Denktash to proclaim an independent Turkish Cypriot State, can the Foreign Ministers explain what their position is in response to these threats, particularly in the light of the recent decision on the Cyprus question adopted by the UN General Assembly?

And Question No 35 by Mr Alavanos (H-239/83):

At the recent UN General Assembly, seven of the 10 Member States of the EEC refused to support the resolution tabled by the non-aligned countries on the solution of the Cyprus problem, which was adopted by a large majority of the member countries of the UN.

Do not the Foreign Ministers think that this position is tantamount to indirect but clear approval of Turkish military intervention in Cyprus and, furthermore, a policy of support for the junta of Evren together with the economic and other aid already provided by the EEC and NATO and bilateral agreements? And, having regard to the wholehearted support given to the United Kingdom in the colonial matter of the Falklands, how do they justify their refusal to support the just international Cypriot cause, thus showing, moreover, complete indifference for the keen legitimate interest of Greece, a Member State of the EEC?

Mr Charalambopoulos, President-in-Office of the Council of Foreign Ministers. — (GR) Although I have stated that I have no difficulty in answering each Member separately I think that I can give an overall answer here because the questions are on the same subject. The answer is as follows.

This particular matter has not been discussed within the context of European political cooperation. The Ten certainly welcome the efforts of the General Secretary of the United Nations under whose aegis the inter-communal talks are being conducted. The Ten disapprove of and will condemn any action which could jeopardize the quest for a peaceful settlement of the Cyprus problem or impede the initiatives of the General Secretary of the United Nations towards this end. Finally, I remind you that the Ten have voted in support of the General Assembly resolutions 3212 of 1974 and 3995 of 1975 calling for the independence, sovereignty and territorial integrity of Cyprus to be respected, and fully support a peaceful, just and viable settlement of the problem which will be acceptable to all sides.

Mr President, this statement of mine expresses the views of the Ten. On my first appearance before the European Parliament I would not wish to go further on matters concerning the Cyprus Republic. The Greek Prime Minister has raised the matter repeatedly. In addition I have expanded on the position of the Greek Government to many in this House when they have had the opportunity to visit my country and I have been able for my part to meet them.

I must state that this is an international issue, and the Greek Government has placed it on this level and is discussing it as such. Moreover, as the Greek Foreign Secretary I would like to make clear that it is not a

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simple dispute between Greece and Turkey but an internationally important matter. It concerns a member State of the United Nations, and in order to secure the independence, territorial integrity and sovereignty of the Cyprus Republic in its entirety as a member of the United Nations we must look to this framework for a lasting and viable solution of the Cyprus problem.

Mr Kaloyannis (PPE). — *(GR)* First of all I am satisfied by the statement from the Minister that the Ten are concerned about the Cyprus situation. I just want to ask whether they intend to take any special steps concerning this specific threat by Denktas, given that the Community has a special cooperation agreement with Cyprus under its official and recognized government.

In concluding I want to thank my colleagues, Mr Kyrkos and Mr Lagakos, who with later questions reinforced my original question which was to have been discussed at the previous sitting.

Mr Charalambopoulos. — *(GR)* Mr Kaloyannis, as my answer made clear this matter has not been discussed in the context of political cooperation. However, I would like to inform you that the Greek Prime Minister tabled the matter at the meetings of the European Council in both Copenhagen and Stuttgart and, if you were listening — and I believe you were listening — you will have noted that I referred to this matter on two dimensions in my statement today.

The first dimension concerns the relationship between Cyprus and the Community.

The second concerns the political issue. You will appreciate what the content of the political issue is. For the moment I think that what I said when speaking as the Foreign Minister of Greece is enough.

President. — Ladies and gentlemen, because time is running out we must close our discussion. Therefore I think that, by way of exception, the Minister should pool his answers to the supplementaries which those colleagues on the list will be putting.

Mr Kyrkos (COM). — *(GR)* I am not satisfied with the answer given by the Council of Ministers. Firstly, the fact that the matter has not been discussed engenders surprise, and I wonder — not that this is aimed at Mr Charalambopoulos as President, of course — what needed to have happened for it to be discussed. Ought Mr Denktas to have proclaimed the Turkish Cypriot State?

Secondly it is manifestly obvious that Mr Denktas is using this as a means of blackmail in connection with the advancement of the inter-communal talks. Therefore, the Council of Ministers ought to have taken the matter up.

Thirdly, I would like to ask the Minister if the Council will be discussing this matter and whether it has a categorical position, not just of rhetorical disapprobation but one involving specific measures.

Finally, Mr President, because a British Conservative colleague has quoted a Latin saying allow me to remind him of the modern expression: 'Timeo some British Conservatives who are defending the trades unions' rights'.

Mr Lagakos (S). — *(GR)* The Minister ought to give an answer on this. However, I can say now that the previous answers have covered my points completely.

Mr Alavanos (COM). — *(GR)* I am afraid that this also is one of the dramatic contradictions about which my colleague, Mr Ephremidis, spoke this morning. The Greek Foreign Minister defending Community policy in this Chamber, that is. I should like to ask him, therefore, in connection with my question No 35, which has a somewhat different character, not what the Community intends to do, but why the Community and most of the member countries of the Community are, in essence, with the position they took at the UN General Assembly, pursuing a policy of support for the Turkish junta, given, indeed, that the countries of the Community are members of NATO, and that it is NATO which is today bolstering up the occupation of Cyprus.

Mr Marshall (ED). — In view of the divisive effect of the Cyprus crisis on the Western Alliance, the human rights issues involved, the EEC Cyprus agreement and the length of time this crisis has lasted, would the President-in-Office of the Council not agree that it is high time that the matter was discussed by the Foreign Ministers? In view of the failure of the Secretary-General of the United Nations to find a solution, would he not agree that a different approach might be usefully applied, perhaps a multi-national conference on the matter, such as took place in 1960?

Mrs Baduel Glorioso (COM). — *(FR)* I think that the President-in-Office of the Council has already given a full reply and I feel that the political response therefore has already been made. However, there is another answer that the Community must give, because it is engaged in negotiations with the Nicosia government. Now the renewal of any trade agreements depends on these negotiations with the Nicosia government, and this implies a great many other things.

Mr Plaskovitis (S). — *(GR)* Listening to certain of the views of some British colleagues on the Conservative side I would like to ask the Foreign Minister if, in the case of Cyprus, the feeling within the Council of Ministers about the invasion which resulted in the occupation of the greater part of the island by Turkish

Plaskovitis

troops remains the same. And if the view still prevails which gave backing to the British invasion, the British response to the violation of treaties by the Argentinian dictatorship when it occupied the Falkland Islands. I would like to know if the feelings and views of the Council of Ministers are in any way analogous to those which prevailed at that time.

Mr Pearce (ED). — Does the President-in-Office accept that the analogy with the Falklands is quite erroneous in that there the people wanted to stay under British rule and that in Cyprus part of the population very clearly does not wish to live under Greek rule?

Would he also undertake to inform the Government of Greece that the only way of bringing peace permanently to that island would be for the Greek Government to abandon any idea of re-establishing the kind of hegemony over the Turkish Cypriot population that used to exist in the past?

Mr Israël (DEP). — (*FR*) Mr President, is it true that the Turkish government, and I mean the Turkish government of Ankara, is opposed to the creation of a Turkish autonomous state in Cyprus?

Mr Charalambopoulos. — (*GR*) With their supplementaries many colleagues have raised points which, effectively, I answered in my original reply. I would like to stress that in my speech this morning I said amongst other things that the Greek Presidency considers it a sacred duty to devise and put forward solutions which will allow the Cyprus Republic to exist in independence, to regain its territorial integrity and sovereignty and to function, as it does, as a member of the United Nations.

I also said in my speech this morning that we must see the Cyprus problem on two dimensions. The first is that, at a time when the Cyprus Republic has an association with it, the Community cannot turn a blind eye to whatever issues remain outstanding. The second dimension involves a political problem, and I would not wish to embark on an analysis of a situation which exists and with which all are conversant.

I would also like to make clear and to underline, since it has been said that my country has claims on Cyprus, that we consider the Cyprus problem to be an international one and that my country does not have any claim on Cyprus. What we do consider to be our duty as Greeks, because 500 000 of the island's inhabitants are Greek Cypriots and 100 000 are Turkish Cypriots — 80 % of the population is Greek Cypriot, that is, and 18 % of it Turkish Cypriot — is to see this people, the Turkish Cypriots and the Greek Cypriots, the Greek Cypriot community and the Turkish Cypriot community, living peacefully and working out its future for itself. This will come about,

of course, when the inter-communal dialogue, which has been going on for nine years without leading to anything — not that I am saying, of course, that the Greek Government is opposed to it, because we have no reason to be since it was established under the aegis of the United Nations — is actually able to find a way to a solution, and when all foreign troops are withdrawn, and I stress this, all foreign troops. This also is something which the Greek Government proposes.

So we have no claims. What we do desire is a Cyprus which is independent, non-aligned, united, sovereign and a member of the United Nations. And having given you these assurances, as the Greek Foreign Minister, we must act, and shall act, through the office of the Presidency, to promote a peaceful solution of the Cyprus problem.

(*Applause*)

President. — I declare the first part of Question Time closed.¹

Mr Pearce (ED) — Mr President, I must ask you to raise once again with the Bureau the whole question of the way in which Question Time is conducted.

You made a statement at one stage that seemed to mean you were going to run Question Time how you liked. It is intolerable that the conduct and the rules are entirely at the whim of the person who occupies the chair in which you are sitting. There has to be one set of rules clearly established and followed by everybody.

Mr President, you made a statement at some stage that we would take questions together. In Annex I of the Rules of Procedure relating to Rule 44 it tells you what you should be doing. It says you may pool the answers to questions if the questioners are consulted and in effect give their approval. This was not done. There was a clear breach of the Rules there. Moreover, going beyond the question of the Rules, you — and it will be you personally, Mr President, because other Presidents do not have a view about this — will destroy Question Time in this House if you allow pooled answers. It is the one place in this system where the democratic right of an elected person to put the Minister on the spot can be exercised. What you are doing, with respect, is taking that right away from us. It is a right which has been fought for for centuries in our countries. I do not intend for myself, Mr President, to let you take it away from me.

I hope you will take this up yet again in the Bureau and I hope that perhaps on Friday of this week, at the beginning of business, we may have a comment from the Bureau as to how Question Time is to be conducted in the future.

¹ See Annex II of 6. 7. 1983.

President. — At the risk of wearying the interpreters at this point, I should like to say quite bluntly that it is false to allege that I said that I would preside anyway I liked. I never said that at any time. I only said that there is no single uniform way for a Vice-President conducting Question Time.

Furthermore, it was only intended to have a general answer to the remaining supplementary questions after the President-in-Office had answered directly the first two or three supplementaries.

In the case of the last question we were pressed for time, and that is why I suggested that the five, six or seven Members who wanted to put a supplementary question should get a general answer from the President-in-Office at the end. I do not consider your reprimand therefore to be justified. If you want me to take up this matter with the Bureau and the enlarged Bureau, I shall gladly do so. I thank you for your concluding remarks. I should also like once again to extend our very hearty thanks to the interpreters¹.
(The sitting was closed at 7.15 p.m.)

¹ Agenda for next sitting : see Minutes.

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IN THE CHAIR: MR JAQUET

Vice-President

(The sitting opened at 9 a.m.)

1. Approval of the minutes

President. — The minutes of proceedings of yesterday's sitting have been distributed. Are there any comments?

Mr Bombard (S). — *(FR)* May I point out that I am not listed in the Minutes as being present. Nevertheless, I was present and in fact took part in the vote by roll call which was taken.

President. — This will be set right.¹

2. Budget

President. — The next item is a statement by the Commission on the preliminary draft supplementing and amending budget No 2 for the financial year 1983.

Mr Tugendhat, Vice-President of the Commission. — Mr President my purpose today is to present to the House the details of the second supplementary and amending budget for 1983. We have been obliged to present a second preliminary draft supplementary and amending budget for 1983 involving commitment appropriations of 2 442 million ECU and payment appropriations of 2 380 million ECU. This is not a budget reflecting new policy choices by the

Commission. That is a point which I wish to emphasize. It is a budget which flows almost mechanically from decisions which were previously taken by the Council and in large part endorsed by the European Parliament. It is a budget to give effect to the consequences of decisions which were taken according to the due processes of Community law.

The most significant items in the budget are increased appropriations for the EAGGF (Guarantee Section) and for certain other measures accompanying the agricultural price decisions for 1983 and 1984; urban renewal for Northern Ireland; expenditure arising from the risk-sharing element in the Council agreement of 26 October 1982; solidarity measures for the less prosperous Member States, agreed upon at the same time at the same Council; aid to Poland; and the financial protocol with a number of Mediterranean countries.

In addition, there are a number of technical adjustments which derive in the main from the fact that the Commission has, in response to Parliament's own past strictures, not this year proposed to the budgetary authority any non-automatic carry-overs from one budgetary year to another. The effect of these proposals, taken together with the anticipated modifications to the Community's revenues which will need to be made later this year, will entail the full use in 1983 of the whole 1 % of potential VAT resources.

The major element in this budget is an increase in EAGGF (Guarantee) expenditure of 1 811 million ECU. This increase is necessary both because the present appropriations do not take account of the 1983/84 agricultural price agreements and because the evolution of agricultural markets has been more unfavourable in recent months than could be foreseen last year when the budget was adopted. The price agreement increases expenditure for 1983 by 438

¹ For documents received, see the minutes of proceedings of this sitting.

Tugendhat

million ECU. The main factors in the unfavourable development of agricultural markets are higher production than estimated for several products notably, cereals, milk, sugar, oil seeds and wine, relatively low market prices, sluggish exports, especially in milk and meat products and a consequent increase of expenditure on the Community internal market. An increase on this scale in agricultural expenditure is extremely disquieting. It means that expenditure in 1983 on EAGGF (Guarantee) will be 28% more than in 1982, at a time when the Community's own resources are growing at an annual rate of only 9%.

I should therefore like to remind the House — this is a very important point in the present circumstances — of where the responsibility for the increase lies. Over the past four years, the Council of Agricultural Ministers has doubled the costs of the proposals for agricultural prices and related measures which had been put forward by the Commission. In this way, nearly 2 500 million ECU has consciously been added to the cost of the CAP over and above the cost of the Commission's original proposals.

Parliament itself has, I must observe, in most years requested even more costly packages than those finally adopted by the Council. If, Mr President, over the last few years the Commission's own proposals in the agricultural field had been followed, the present framework of appropriations would, in fact, be adequate. If Parliament's agricultural resolutions had actually been implemented, the Community's own resources as they are at present would have been more than exhausted already this year.

The figure proposed for EAGGF (Guarantee) is based on a rigorous examination by the Commission of the possibilities of achieving economies in the agricultural area and of the need for extremely strict market management. Tight financial discipline will be required in order to ensure that agricultural expenditure in the remainder of 1983 grows at a less rapid rate than hitherto.

I might perhaps observe that in the first seven months of this year the EAGGF advances paid by the Commission were 40% higher than the advances paid for the first seven months of last year. If this trend were to continue for the last five months of this year, even the extra credits of 1 800 million ECU now proposed would not be sufficient.

Mr President, let me now mention briefly the other principal elements in this supplementary budget. During the discussions on agricultural prices for 1983-84, the Council decided on a series of accompanying measures. The cost for the 1983 budget is 23 m ECU in commitments and 20 m ECU in payments. Following the adoption by the Council on 21 June 1983 of the Regulation for urban renewal in Northern Ireland, an amount of 16 m ECU in commitments and 9.6 m ECU in payments is asked

for in addition to the amount of 16 m ECU in Chapter 100 of the budget for 1983. The additional amounts cover appropriations previously available in the 1982 budget. I do not think I have to remind the House that this initiative in respect of Northern Ireland arose in the first instance from an all-party resolution that was adopted by this House and was indeed supported, as I recall, by representatives of all shades of opinion within Northern Ireland.

The adjustment in compensation for the United Kingdom in respect of the year 1982 is a mechanical application of the Council agreement of 26 October 1982. In that agreement, it is foreseen that the compensation is to be adjusted if the net contribution of the United Kingdom turns out to be higher than the reference figure of 1 530 m ECU. In fact, Mr President, it turned out to be 2 036 m ECU.

As a consequence, additional expenditure in favour of the United Kingdom of 385 m ECU and in favour of Germany of 78 m ECU becomes due.

Taking account of the declarations made by the Council and by Parliament when adopting the first amending and supplementary budget for 1983, the Commission proposes that these credits should be used in the same manner and in the same proportions as the comparable credits in the first supplementary budget. Thus, 218 m ECU has been earmarked for special measures of Community interest under the energy strategy and 245 m ECU for supplementary measures in favour of the United Kingdom.

In keeping to the same proportions and the same manner as with the comparable credits in the first supplementary budget, we are, of course, emphasizing the link between the risk-sharing and the basic agreement of 26 October 1982. (This agreement, as I am sure the House appreciates, is completely separate and distinct from the agreement reached in the recent European Council at Stuttgart and discussed in this House last week; it is important that the two should not be confused and that people should not suppose that the previous agreement is now giving rise to a different set of initiatives.) That is why we have kept the two the same and in accordance with the resolutions passed by Parliament when it was dealing with the supplementary budget earlier this year.

In the agreement of October 1982, the Council also agreed on measures of solidarity with the least prosperous Member States. The Commission proposes in this respect appropriations of 20 m ECU for Greece, Ireland and Italy which will be used for projects in the agricultural guidance field.

The Community wishes to prolong the humanitarian aid to Poland which has been offered for the past two years. The Commission proposes to continue with a monthly *tranche* of 2 m ECU for the remaining seven months of 1983, which implies a cost to the 1983 budget of 14 m ECU.

Tugendhat

Finally, Mr President, the Commission proposes credits for a number of financial protocols agreed upon by the Community with some Mediterranean countries. These amount to 19.4 m ECU in commitment appropriations.

Under the terms of the financial regulation, the Commission will have to put forward a third supplementary budget later this year. This will be concerned mainly with adjustments on the revenue side of the budget and with the balance of resources from last year. The Commission's best estimate at present is that this will lead to a reduction in the total available resources of up to 550 m ECU. Members may wonder why this should be: the Commission, as I think everybody realizes, relies on the Member States for estimates in this field, and the shortfall arises in part from the fact that economic growth has not materialized as soon, or as strongly, as had been forecast in some capitals; it arises in part from the more fortunate occurrence that as a result of slower inflation, the rate of increase in purely monetary terms has obviously been reduced; and it arises in part, too, from the fact that owing to the more sluggish growth than was anticipated, the level of imports has also, of course, risen less than had been anticipated.

Mr President, all this implies that after the rectification of the revenue side in the autumn the full 1% of VAT will be called up. That is to say that the Communities' total available own resources will be used in full for 1983. For the time being — that is, without the rectifications on the revenue side — the VAT rate is 0.96 %.

I would, however, like to emphasize a point which arose in the Committee on Budgets yesterday, and that is that while we are calling up the full extent of our own resources available in 1983, we believe these will be sufficient to enable the Commission to meet all its obligations during the course of the current year.

Mr President, this situation — calling up all our own resources in 1983 — clearly makes it all the more imperative that early decisions be taken on the future financing of the Community so that adequate additional resources of our own can be made available. As the House knows, the Commission presented its proposals in this field in time to enable the necessary decisions to be taken and the guidelines for further work agreed at the Stuttgart European Council and in order to enable the Stuttgart European Council to take our proposals fully into account.

The presentation of this preliminary draft supplementary budget reinforces the urgency of reaching rapid results on the basis of the Commission's proposal. The Commission put forward its proposals in May. I can assure the House that we remain dedicated to bringing about a solution to the Community's finan-

cial problems, to safeguarding the policies that already exist and to making available resources for the further development of existing policies and for the development of new policies. We will do all we can to ensure that the negotiations in the Council are pushed forward as rapidly and as effectively as possible.

(Applause)

President. — I remind the House that on Monday Parliament decided to hold a debate of one hour after the Commission's statement.

Mr Harris (ED). — A point of order, Mr President. In addition to that, under Rule 40 can we ask questions ...?

President. — No, the Parliament's decision of Monday was that the Commission's statement should be followed by a debate and not by questions.

Mr Hord (ED). — Mr President, on this particular point and your answer to my colleague, Mr Harris, the agenda does, in fact, say 'statement'. I believe that he is in order. The agenda does not refer to a debate; we are concerning ourselves with a statement. Hence Mr Harris is correct to refer to Rule 40, bearing in mind that the agenda does not specifically state that we are having a debate. In this regard I quote specifically Rule 40 (2).

President. — I remind you once more that according to the decision taken by Parliament on Monday, the Commission's statement should be followed by a debate. Rule 40 cannot therefore be invoked here.

Mr R. Jackson (ED), rapporteur. — Mr President, in spite of the Commission's low-key presentation, this preliminary draft supplementary budget is a notable event in the history of the Community — and I am sorry that there is no representative of the Greek presidency in the Chamber to hear the Commissioner's statement or this debate. Indeed, one could say to the Commission and to the Council of this debate, as of common agricultural policy reform, that it is better to be late than to be never. That is the situation that we are in today: the Commissioner was late, and the Greek presidency was never.

This preliminary draft supplementary budget is an historic event for two reasons — first, because it is the biggest ever supplementary budget in the history of the Community, and second, because it brings us very close to the exhaustion of the Community's own resources. It brings us, in fact, to within 544 m ECU of the 1983 ceiling. There is no danger of going through the ceiling, but we are very close to it and we all know that this is an historic moment.

This preliminary draft supplementary budget contains many items, and close examination of it will be required. Let me say that I think that all of us in this

R. Jackson

House will say how pleased we are to see the 32 m ECU provided for integrated operations in Belfast. The House may in the end decide to reject this draft supplementary budget, but whatever happens in the end I must say that I believe, as rapporteur, that two readings will be required and that we shall see this matter going forward through September into October.

At first sight there are three points which strike me as controversial about this preliminary draft supplementary budget. The first is a minor but nevertheless symbolic aspect of this budget. I see that the Commission has had the effrontery to make a demand in the preliminary draft supplementary budget for funds whose transfer out of Chapter 100 was refused by the Committee on Budgets only a week ago. I am referring to the money under Articles 250 and 251 for the Commission's consultative committees and other committees.

I do not know what the Commission thinks it is playing at. The budgetary dialogue between Commission, Council and Parliament is not a game, Mr Commissioner. It is meant to be a dialogue in which we listen to each other and learn from each other. Public opinion in the Community is concerned — and rightly concerned — about the number and size of what are called 'Euroquangos'. All bureaucracies tend to spawn such creatures, and we have to ask, for example, why there has been a 31% increase over the last year in the provisions required for them. Why do we have to have 650 of them? Why do we have to have nine separate committees deliberating on 14 separate occasions on different aspects of equal rights? We are all in favour of equal rights, but why do we have to have nine consultative committees to discuss them?

Parliament voted in April last year for a review and a rationalization of these committees, and it has been using its budgetary powers to put pressure on the Commission to set about that urgent work. What does the Commission do, Mr President? Instead of cooperating with this elected Parliament in the exercise of its legitimate functions, it has conducted a systematic campaign to muster lobby pressure against Parliament and has refused to cooperate adequately with Parliament in the review that we are seeking. Mr President, I hope and I expect that the Council will strike this item out of the preliminary draft supplementary budget when it adopts the draft budget — and if it does not, I hope, and certainly I will urge, that Parliament will do so. I invite the Commission to be serious about this matter.

However, to pass on to the more central elements in this preliminary draft supplementary budget, the second controversial item in it consists of a further instalment of Community expenditure in the United Kingdom and in Germany covered by the agreements

for compensation in respect of 1982. I think the Commissioner should explain a little more clearly how this arises. The fact is that the agreement on refunds for 1982 comprised two elements. The first was the flat lump-sum payments which were the subject of supplementary budget No 1 for 1983, which we adopted in February. The second element was a risk-sharing formula whose yield would be calculated when the final accounts for the year were delivered — and they were delivered in March. Because of the expansion in agricultural expenditure that took place last year following the price-fixing earlier in the year, a risk was born and the consequence now is that further payments fall due.

Of course, it is well known that Parliament has powerful reservations about this type of payment. And it remains to be seen whether we shall take the view that these particular items should be regarded as being covered by the approval that we gave in February 1983 to supplementary budget No 1. It also remains to be seen whether we take the view that we wish to concentrate our fire on the 1984 budget and the link to the Athens meeting of the European Council. These are all matters that will have to be considered.

However, I am sure of this, Mr President, that we shall want to look at the detail of this proposed payment. Here there are three questions which need to be considered very carefully. The first is, are we satisfied by the proposed split between what are called 'supplementary measures' and the energy proposals? For us this is important, not only because of the question of the conformity of this spending with Community policies but also because of the breakdown which it entails between compulsory and non-compulsory expenditure. The Commission has proposed that the distribution between supplementary measures and other lines of expenditure should be in the same proportion as in supplementary budget No 1. There were some doubts about this proposition in the Committee on Budgets yesterday, and I think we shall have to look very closely at it. I would suggest that Council should also do so in order to facilitate the passage of this draft budget.

Then, are we satisfied — this is one of the questions we have to ask ourselves — that the proposed expenditure is in conformity with the conditions that we laid down when we approved supplementary budget No 1? In particular, do they advance Community policies, not necessarily by way of additionality, but do they advance Community policies? That is one of the conditions that we laid down.

Further, we have to ask ourselves, do we accept, with regard to that element in the preliminary draft supplementary budget that is non-compulsory expenditure, that we continue to be bound by the political agreement that we made about the consequences for the margin for 1984? This is a question which, I think, will have to be re-opened.

R. Jackson

The third controversial issue in this preliminary draft supplementary budget concerns the massive increase in expenditure allocated to finance EAGGF (Guarantee) expenditure — a total of 1 811 million ECU. There are two consequences of this growth in expenditure. One is that the proportion of EAGGF spending in the total budget has risen from 61.4% to 62.8% this year. So much, we may say, for all the Commission's words over the past two years about the fall in the proportion of agricultural expenditure in the budget. They were happy to take credit for that fall when it was taking place, but now they will duck away from taking the blame for the rise that is now taking place.

The other consequence is that we see that the rate of increase in agricultural spending between 1981 and 1983 has been 44%, which may be compared with a 20.7% increase in the Community's own resources over that period. So much for all the Commission's and the Council's words over the past two years about keeping the rate of growth of agricultural spending below the rate of growth of our own resources. How well I remember those words! Words rather like what General de Gaulle said of roses and young girls — and of the Treaty of Rome: *Ça dure que ça dure*.

Mr President, I see no alternative to our approving this preliminary draft supplementary budget in broad terms when it comes to us as a draft budget, although it must be pointed out that in the Committee on Budgets yesterday there were some who advocated rejecting this draft supplementary budget. The fact is, however, in my opinion, that we shall have to recognize that the expenditure proposed in this preliminary draft supplementary budget simply implements decisions previously arrived at, decisions to which this Parliament — in the case of last year's price fixing I may say, alas — was a party.

However, this fact should not preclude us from making a very close examination, which I will undertake as rapporteur, of the extent to which the expenditure being requested is the minimum necessary. We want to ask ourselves, has the Commission been managing this increasingly expensive policy with due regard to economy and cost-effectiveness? We will do that work with a will.

Finally, Mr President, our broad approval of this supplementary budget — if that is what it is to be — should not preclude us from recognizing the fundamental point about this request for more money. Since the late 1970s the Commission's strategy for CAP reform has been 'prudent prices'. The strategy was, year after year, to hold down price increases so as to put pressure on producers to reduce their output. This has not worked; the pressures built up, and last year the dam broke. This preliminary draft supplementary budget is the result.

Mr President, ladies and gentlemen, the fact is that the Community must recognize that there is no alternative to measures like those advocated by this Parliament in the Plumb report, measures which will reduce the Community's obligation to finance production beyond

a limited level. This is the key to the future of the Community budget, and I believe it is no exaggeration to say that it is also the key to the Community's future.

(Applause from the European Democratic Group)

Mr Fich (S). — *(DA)* Mr President, it was not entirely unexpected, but we have before us preliminary draft supplementary and amending budget No 2 for 1983. The Socialist Group does not wish to go into details on the Commission's proposal, preferring of course to wait for the proposals which may come from the Council of Ministers. Clearly, however, we can make one or two general comments at this stage, and the general comment overriding all others is that this is a proposal which manages to have something for everyone. The Commission has guarded against having its proposal rejected by giving something to agriculture and making repayments to certain Member States, thus ensuring that all interests in the matter are taken into account. In this way it presumably hopes to ensure that this supplementary budget is not rejected. It is a clever strategy on the Commission's part, although it is a somewhat illogical combination of the individual elements.

I should like first to say something about the EAGGF (Guarantee Section). It is plain to see that the EAGGF (Guarantee Section) and agriculture itself are now out of control. When we read the preliminary draft budget, we see that it deals with food mountains, wine lakes, olive-oil lakes and much besides. We can see that it is off balance, since we have excess spending in the Guarantee Section this year of 40 % over last year. And Mr Tugendhat tells us who is responsible for this. It is clear — and here I am in agreement with him — that it is the Council of Ministers. It is also clear, as he points out, that Parliament is responsible. We have had decisions in Parliament which have been quite irresponsible, for example in March this year.

(Applause from the European Democratic Group)

But, Mr Tugendhat, I think that the Commission also shares in the responsibility. It does not bear the main burden of responsibility, but it has a share in it. We did get the Commission's proposal adopted this year, but it is my opinion that the Commission did not make sufficient use of the possibilities open to it on the world market and, in other respects, of being more aggressive in presenting proposals.

I noted with interest Mr Tugendhat's statement that, with this supplementary budget, we should be able to fulfil our obligations. We shall, of course, hold the Commission to this. It must mean that, if the Commission gets these additional 1 800 million ECU, we shall have no more wrangling over the EAGGF Guarantee Section for 1983. That is a very important promise, and of course we shall watch carefully to see that it is kept.

With regard to the EAGGF (Guarantee Section), let me recall the position of the Socialist Group. We think that reforms are necessary in agriculture. We think it is necessary to return to a sound agricultural policy, and we note

Fich

that such reforms have the support of the majority in Parliament. We have had a few difficulties on the latter point, but we have managed to secure it in the time we have been here since 1979. These reforms are a precondition for the availability of new resources to the Community.

With regard to the repayments to Great Britain and the Federal Republic of Germany, I must say that we feel we have been somewhat misled. It is our impression that, when we adopted the first supplementary budget in February 1983, the Commission already knew that there would be a further supplementary budget involving repayments to the said countries. But the Commission said nothing at the time. It is our impression that calculations already existed at that time which showed that the reference figures adopted for the net repayment, for example to Britain, bore no relation to reality. We have the impression that, out of fear of the reaction, the Commission avoided giving us this information then, but of course we shall examine it closely this time. We shall dig deeper into the matter to see whether certain information was withheld from us at the beginning of the year. If there are to be repayments again, then clearly these repayments must be made under the same conditions as previous ones.

I recall in this connection that in December 1982 Parliament unanimously agreed that the money should be used for new Community projects. But how have the funds already repaid for 1983 been used? Let me merely quote you an example. There has been a contribution to the financing of the Kalkar project, in the Federal Republic of Germany. In no way can this be called a new project. It is an old project which got into financial difficulties. That is the kind of thing we called 'new Community projects'! I think the mistrust voiced towards the Commission at that time was justified.

I think this time we have a better chance of checking that extraordinary capital works are effectively launched, since we may demand that the national budgets of Great Britain and the Federal Republic of Germany are increased by the amounts which are to be repaid.

As my time is up, I shall conclude by saying that the Socialist Group will study these proposals. Both proposals — on the EAGGF Guarantee Section and on the repayments — would not have been needed if the Council of Ministers had taken the necessary decisions. Our support for these proposals, Mr President, depends on whether the Council of Ministers now shows willingness to take the decisions which should have been taken a long time ago.

Mr Adonnino (PPE). — (IT) Mr President, ladies and gentlemen, as an initial reaction to Mr Tugendhat's statement on the supplementary budget No 2 to the 1983 budget, it can be noted that this supplementary budget shows a clear and radical change of direction by comparison with what has happened in the recent past.

In recent financial years we have, in the supplementary budgets, had a reduction of the cost of the CAP, and so a drop in the consequences for the general budget. Today, however, we see that there is an unprecedented increase in the cost of this policy, and a considerable increase in consequences for the general budget. Before, we had reached the goal of ensuring that the annual increase in the cost of the CAP was less than the annual increase in our own resources. Today, however, we have to note that this increase for 1983 is considerably larger than the increase in our own resources.

This shows that those people were right who, in previous years, advised caution when supplementary budgets were presented which made provision for considerable relief, as it was possible to foresee a change in this trend in future years.

Therefore, this supplementary budget poses a series of problems which we must all consider together in depth. The fact that the 1% ceiling of utilizable income from VAT is reached, and therefore that we have come to the end of our own resources, is only one of the many matters which springs to our attention.

As regards the CAP, I think we have to say yet again that the cost of this policy changes according to variables which are difficult to control that is, the amount produced, the state of prices on world markets and the ability of world markets to absorb the surplus products stored in warehouses in the Community.

Therefore, we must yet again ask ourselves if this obvious difficulty in making estimates does not mean that the Community should refine its capacity to make estimates. These are certainly variables which are difficult to control, but they are, nevertheless, variables which depend on other phenomena, and if these are known I think it is possible to improve the budget estimates and so arrive, not at a perfect estimate, but at least at the point at which the initial budget is closer to what will happen next, at least in the short and medium term.

I think it is simplistic, indeed irresponsible, to reproach the Parliament for making decisions which are almost organic, together with the other Institutions, on farm prices, and so assuming responsibility for the budget increase. I say again that the Commission must, instead, finally submit acceptable proposals so as to change those mechanisms of the CAP which lead to harmful effects in the form of surplus production. It would really be too convenient to say that financial difficulties had been caused by a particular speech! It is certain that the proposals so far submitted by the Commission have not fulfilled their aim, and that we are having to wait a long time for the others. It would also be too easy today to submit overambitious proposals for indiscriminate cuts in order to hold down expenditure, continuing to penalize the same products and producers who have been penalized in the past.

Mr Commissioner, we expect proposals from the Commission which will succeed in changing the negative aspects which we are criticizing and which will, in a

Adonnino

balanced way, bring about the reductions which really are necessary without confirming existing privileges, and will really take account of the needs of those who have been penalized until now.

It has been said that one reason for the increase in this budget is the fact that payable amounts from previous financial years have been ascribed to this financial year. This poses a great problem : control of the rate of financial flows outwards according to the amount of money flowing inwards is certainly an administrative problem, but when the financial flow outwards is confused not with the amount of money which is flowing in but with the funds which are earmarked for that financial year, then we really are changing the economic face of the matter.

We have more than once in previous financial years raised the problem of the need to respect the sums entered in the budget for individual financial years and not to let them spill over into subsequent financial years. We see today that the financial year in question, by this supplementary budget No 2, is being burdened — as the introductory statement said — by charges which should have been borne during previous financial years. We have even reached the point of reimbursing Member States for previous financial years with funds which should, instead, have been used now.

This introduces another topic : we know that with this budget we come to the end of the funds available from the Community's own resources, as there only remains a sum of about 550 000 000 ECU, which is certainly not a safety margin for covering new expenditure, only for covering what will almost certainly be a reduction in income.

So our resources are almost completely exhausted. The question must, therefore, be asked : since the preliminary draft budget for 1984, which was recently submitted, shows a margin of 600 000 000 ECU, almost equal to the present margin, is this sum also intended to cover the possibility of a reduction in income or is it really a safety margin for possible increases in expenditure, some of which, as the experience of recent years shows, will certainly be necessary ?

To turn to another matter : I agree with the rapporteur, Mr Jackson, on the problem of Great Britain. We would have raised the same questions as him. Naturally, we reserve our final position on the replies which will be forthcoming. Mr Jackson rightly said that it is not possible for the Commission to propose in a supplementary budget the transfer of appropriations which the Parliament has previously rejected. This means getting round the obstacle, which we can not allow.

The final problem, Mr Commissioner, is the fixing by the Commission of a new rate of increase which has implications for the Parliament's room for manoeuvre. Problems arise concerning the amount and use, on which Parliament has given its word to the other institutions. This point must be clarified, as it involves a matter of principle on which, as you know, Parliament is very sensitive.

This, in brief, is the initial reaction of the Group on whose behalf I have the privilege of speaking. It is obvious that we shall reserve our final decision until further information has been given.

(Applause from the centre)

Mr Balfour (ED). — Mr President, Mr Tugendhat can be forgiven for an element of self-satisfaction and for an element of gloating in his speech. He is right that this House, whatever it may say in the Committee on Budgets, is less restrictive than the Commission when it comes to agricultural expenditure. We have to take his jibes in good heart because, unfortunately, we have deserved them.

(Cries, of 'hear, hear!')

What we have before us today is, as the rapporteur has said, something very new. As you will remember, Mr President, in the past we have seen supplementary budgets used by the Commission like a kind of Santa Claus bag. After bitter rows between the two arms of the budgetary authority, between different Member States, between Members of this House as to the priorities for expenditure, the Commission would fly down to Strasbourg and open up their Santa Claus bag. They would declare, to the obvious delight and relief of this House, that they had found massive savings and they could beef up at the same time non-compulsory expenditure, food aid programmes and rebates to the United Kingdom.

We would fly home happy, on the one hand, that savings had been made. But I seem to remember that we would also criticize the absurdity of a system which led Parliament and Council to go to court over a few million ECU in one half of the year while providing the Commission with an opportunity of finding hundreds, even thousands, of millions of ECU towards the end of the year.

I well remember personally criticizing what I took to be, not savings created out of a great efficiency, but excessive padding and over-provision. I remember well the Commissioner telling me that forecasts were forecasts and that I, as a banker, should remember that, and that a budget forecast could as easily produce a shortfall as a surplus. I remember his words well. I hope he, too, will remember that we in turn would emphasize our preference for shortfalls. We wanted to see the Commission come to us for permission to complete expenditure or increase it, and here, Mr President, we have such a shortfall — and what a shortfall it is !

I think we should be delighted, not at the size of the shortfall, but that at last we have a supplementary budget which does not take on the aspect of a Santa Claus bag. What we have here is a Commission presenting itself before Parliament, one arm of the budgetary authority, to justify this additional expenditure.

The Commissioner was right to chide us for our record on agricultural prices ; but by the same token he must recognize that there are valid texts for agricultural

Balfour

reform which have been voted by this House and which should have received a more enthusiastic and energetic response, both from the Commission and from the Council of Ministers.

Some in this House may want to vote against these enormous appropriations for agricultural spending. Others may want to block the special measures for the United Kingdom. All of us here, as I think the rapporteur quite rightly emphasized, will object to the Commission's effort to unblock expenditure which we have for very good reasons, blocked in this House.

Let me say a word to those who would wish to block the compensation to the UK. We have months ahead, months of enjoyment, on this subject and on the subject of agricultural reform. Let me try quickly to answer those who most blatantly want to block rebates and compensation to the United Kingdom. I will try to avoid mentioning names like Louwes and Lalor, but let me address my words to those in this House who, like them, would like to do it as an example. Let me explain to them that you do not measure a country's entitlement to fair treatment by its history, its deemed power, its strength as a nation or the politics of its leader. We are entitled to fair treatment for one simple reason, and that is our relative prosperity. I challenge anybody in this House to produce a criterion for relative prosperity which puts the United Kingdom above the Community average; and it is on that argument and that argument alone that those of us who represent European taxpayers in a certain region of the Community are going to press our case. That is the argument that I hope will ultimately persuade those of my friends like Mr Louwes and Mr Lalor to rethink their remarks of last week.

(Applause from the European Democratic Group)

Mrs Barbarella (COM). — *(IT)* Mr President, we also reserve the right to scrutinize amending budget No 2, which Mr Tugendhat has submitted, more closely. I shall, therefore, merely ask the Commissioner a number of questions on what he said this morning.

I should like to ask him first of all why the adjustment to the British contribution is being proposed now. The VAT accounts for the financial year 1982 will close in the autumn, as clearly stated in the document which has been submitted. It is only then, therefore, that we shall know exactly what the British balance is, and on that solid basis we can calculate any adjustment that has been decided on by political agreement. This additional sum of 304 million ECU which the Commission proposes to pay to the United Kingdom is based today just on estimates. And what if the Commission's estimates are not correct? Furthermore, for the past three years these estimates have not been correct for agriculture. If they prove to be incorrect, I imagine there will have to be further adjustments and we shall be given corrections to the Commission's facts. I should also like to point out that, if I remember correctly, there is a British *trop perçu* which sooner or later will have to be taken into account, and which perhaps it would be better

to consider now. I also ask myself, Mr Commissioner, why the question of adjusting the British contribution is linked to that of the increase in spending on agriculture. Perhaps in order to make it more acceptable to this Parliament? We are all concerned at the amount of money spent on agriculture, but we also know that problems would arise if this expenditure was not guaranteed. Some aspects of this link-up therefore, seem very unclear to me.

I now go on to the second question which I want to put to Mr Tugendhat. To what use will these 340 000 000 units of account be put? This is a fundamental point. In the amending budget they are entered partly in the chapter on regions and partly in that concerning energy; but this does not mean very much, as we already know what they will finance. New projects? It seems rather vain to me to suggest that there will be any new projects. How could new projects be invented in just a few days? I imagine, and I would like a reply to this, that it is much more likely that the Commission will propose raising its financial contribution to existing projects. If this were the case, then, and I say this very loudly and clearly, Mr Commissioner, it would mean a formal betrayal — as we all know in essence what projects are being executed — of the effort which the Parliament has made for some months to bring the matter of compensation for Britain back within the range of policies which can, at least formally, be called Community policies.

I shall put only these questions, and I should like a reply to them. I should like to conclude by saying that we are very perturbed to find that we are, once again, faced with proposed solutions which seem very debatable to us.

Mrs Scrivener (L). — *(FR)* Mr President, ladies and gentlemen, in fact it is in the autumn that we shall be taking a decision on this supplementary budget. Today, as the rapporteur has made very plain, we are asking a number of questions and we must be able to take our decision in the light of absolutely clear replies.

I would add that, like it or not, there will be a connection between the amending budget and the draft budget for 1984, first because they will come up at about the same time, and secondly because it will be absolutely impossible, willy nilly, not to consider the two simultaneously.

The two main parts of this preliminary draft amending budget call for a number of comments.

First, there is the increase in EAGGF (Guarantee) expenditure. True, it is substantial, but it is hardly open to debate, being the financial consequence of the decisions taken on agricultural prices or the course of economic developments. We may regret it — I certainly do — for things cannot go on in this way. We therefore await the Commission's proposals on this subject and we hope — as rapporteur for the 1984 budget, I say this with feeling — they will be forthcoming in time to be given effect in that budget. As it is, we shall probably have to pay the amount indicated.

Scrivener

The second major part is compensation to the United Kingdom and the Federal Republic of Germany. You were at pains, Mr Commissioner, to make the point that your budget was based on the agreement of 26 October 1982, a wholly political agreement, and it is not the custom of this House to call in question the principles underlying political decisions. On the other hand, I believe that it does have a duty to be very watchful, and on this point I am entirely in agreement with Mr Jackson and other speakers. It is absolutely essential for us to be given more detailed information on how the figures proposed were arrived at. Here again, I wonder how it is possible to assert figures which, if I understand correctly, are based on forecasts, not realities. Experience has shown in the past that this type of approach leads to serious difficulties and, moreover, it was for this reason, Mr Tugendhat, that you stressed that there should not be any confusion between what derived from the 1982 agreement and what stemmed from the Stuttgart agreement.

A final point, since I think that I am overrunning my time, but it is very rare for me to do so and this is an important matter. I should like to point out that, in your breakdown, you have put supplementary measures in favour of the United Kingdom under Article 530. There is something wrong in the relation between what has been entered under Articles 530 and 707. This will need to be looked into.

These were the essential points on which I wished to comment.

Mrs Nebout (DEP). — (FR) Mr President, ladies and gentlemen, the second preliminary draft supplementary budget for 1983 just presented to us by the Commission is particularly large, containing provision for payment appropriations of 2 380 million ECU, it is devoted predominantly to agriculture, with 1 810 million ECU, or 76% of the appropriations, allocated to the EAGGF (Guarantee Section), and — this is what makes it remarkable in my view — it will absorb the whole amount of the Community's own resources up to the limit of 1% of VAT.

While it would be premature today to take a view on the Commission's document, I nevertheless feel that it will be useful to offer some preliminary observations. First, the ironic tone adopted quite often by the Commissioner, notably when reminding us that we would not have had a problem if we had followed the recommendations of the Commission, was not lost on us. May I remind the honourable Commissioner that agricultural prices are guaranteed by the Treaty and that, although it is important to attend to budgetary matters, it is even more important in my view to understand that economic facts are based on the realities of day-to-day working life and therefore have human implications?

I am not however, unmindful of the 28% increase in agricultural expenditure over the previous year and am

aware that some of our colleagues find it disturbing, not without reason. It is certainly clear that our colleagues were very wide of the mark in their estimation of the needs of agriculture. It is to be hoped that they will not persevere in their mistaken ways by continuing to look for a structural reorganization of the budget through action to restrict agricultural spending. It is time to acknowledge that the common agricultural policy exists and, since it exists and constitutes the foundation on which the Community accord rests, the cost of financing it has to be accepted, even though there may be areas — and we do not suggest otherwise — where improvements could be made.

Secondly, we note once again that the preliminary draft supplementary budget calls for financial compensation in the substantial sum of 384 million ECU to the United Kingdom and a much smaller amount to Germany. Granted, this compensation has been arrived at by simple mathematical application of the provisions of the Council agreement of 26 October 1982, but, in the light of the undertakings entered into by Parliament, we are entitled to ask when at long last we shall get out of the trap of the 'mandate' of 30 May, when we shall finish, once and for all, with measures which are no more than a barely disguised — barely disguised — form of the *juste retour*. And is it necessary to repeat that we have yet to hear proposals for dealing with the excess amounts received by the United Kingdom in earlier years?

Finally, the supplementary budget that we shall be examining in due course manifestly demonstrates the urgent need for a solution to the problem of the future financing of the Community based on an increase in its own resources which conforms with and consolidates Community financial solidarity. This need is made all the plainer by the Commission's news that the revenues from which the Community's own resources are derived are declining appreciably. This, it has to be said, can only make it harder in the short term to keep to the present ceiling.

Those, Mr President, ladies and gentlemen, were the few comments that I wished to make to the House on behalf of the Group of European Progressive Democrats.

IN THE CHAIR : MRS CASSANMAGNAGO
CERRETTI

Vice-President

Mr Paisley (NI). — Madam President, I rise to welcome the allocation of money to Northern Ireland for urban renewal. This is something which Northern Ireland was promised and which the province really needed. The much-published integrated scheme is now starting to be implemented. This helps the credi-

Paisley

bility of this Community in the province and makes good what visiting Commissioners promised. I further welcome the fact that the principle of additionality has now been established and will be maintained. This is of vital importance and was one of the matters underscored by Mrs Martin in her report on Northern Ireland which was passed unanimously by this House.

In view of the general need in Northern Ireland, and especially the need to renew the heart of the city of Belfast, it is essential that money allocated to the United Kingdom Government must not longer be pocketed at Whitehall but must come as additional money to Northern Ireland to help new schemes for renewing the infrastructure of our province.

Could the Commissioner assure us that the integrated scheme will be carefully monitored by the Commission? And could he inform us when further payments for the integrated operations scheme in Belfast will be made? The recognition of the disadvantages suffered by Germany and the UK with regard to budgetary payments is absolutely right. It must be borne in mind that the rebate out of the 1983 budget to the United Kingdom as determined at the summit, represents only 39.4 % of the United Kingdom's total net contribution to that budget. It is just and fair that the United Kingdom contribution should be placed on a par with the contributions from the other Member States. Germany and the United Kingdom can no longer be the paymasters of Europe.

Mr Baillot (COM). — *(FR)* Madam President we have been given an opportunity to debate the preliminary draft amending budget for 1983, even though the time allowed is short. I am sorry that there is to be no debate on the preliminary draft for 1984, in view of the need for one in order to mandate the parliamentary delegation which will be meeting the Council on 20 July next.

Coming back to this amending budget for a sum exceeding 2 000 million ECU, most of which is to cover agricultural expenditure and further compensation to the United Kingdom, it was foreseeable that the appropriations to the EAGGF would be insufficient by 1983 — we said as much during the budgetary debate in October. This supplementary budget casts further light on the political manoeuvring of those in favour of transferring the EAGGF to Chapter 100, but we have to admit that we could not have anticipated such a large supplementary budget for agricultural expenditure. How has it come about?

The increase in farm prices is not a significant factor, accounting for 400 million ECU according to the Commission, which puts the blame on market conditions. There are some questions to be asked about the Commission's methods of calculation and its forecasts. Let us look at its figures a little more closely. An extra 300 million ECU for cereals; is not this the result of

the Commission's passive response to the American offensive on this front?

The loss of the Egyptian flour contract alone cost Europe over 40 million ECU. Instead of retaliating the Community has given earnest of goodwill, for instance by agreeing to limit its wheat exports, thereby deliberately causing stocks to rise. An extra 60 million ECU for milk; this is a lot, it is too much, it is a lot too much!

(Applause from Mr Hord)

We are not prepared, Mr Hord, to accept limitless increases in this expenditure. Action must be taken to put a stop to them. The uniform co-responsibility levy has shown itself to be inefficient.

You are not applauding now, Mr Hord?

The guarantee thresholds proposed by the Commission will be found to be equally inefficient. The only way to solve the problem is to tackle the people who are really responsible, by taxing the factory dairy-farms which are simply plants processing imported feedingstuffs in defiance of Community preference.

The sea-serpent of the United Kingdom contribution has once again reared its head. The Commission is asking us for a further refund of 385 million ECU. What guarantee do we have of the accuracy of Mr Tugendhat's calculations? They are once again estimates, but once bitten twice shy. In 1980, in 1981, these estimates were so accurate that the United Kingdom pocketed 1 000 million ECU more than it was entitled to. Let us talk about this money: the United Kingdom must hand it back, it undertook to do so, and we must insist that it does.

Under the circumstances, there is no question of our agreeing to this further refund, and we could say to the British: you pay first, then we can talk.

These are the brief but essential comments that we wished to contribute to this short debate.

(Applause from the left)

Mr Lange (S), Chairman of the Committee on Budgets. — *(DE)* Madam President, ladies and gentlemen, Mr Vice-President Tugendhat, you have presented this draft supplementary and amending budget as though the matter were settled, and you have taken for granted our acceptance of a Council agreement of 26 October 1982 on which Parliament was not consulted. We have stressed time and again that Parliament does not consider itself bound by compromises reached by the Council, no matter how difficult they may have been to achieve. We agreed not to query the figures — but we are still querying the manner in which this whole affair is being handled. You cannot simply say it should be dealt with in the same way as in the spring. That is one of the main points.

Lange

Let me remind you of Parliament's resolution on this matter. That is our basis for action, the basis on which we will negotiate with the Council during the consultation on 20 July. This may mean, Mr Tugendhat, that we shall run into greater difficulties this year than is immediately apparent. Moreover, the second supplementary budget for 1983 is inseparable from the draft for 1984, because the supplementary budget for 1983 and hence the 1983 budget will affect the 1984 budget.

You are quite right, Mr Vice-President, in saying that this Parliament bears a fair measure of blame for a certain policy, by which I mean agricultural policy and price policy. As I have stated before, we have a crucial debate to conduct on the Community's future agricultural policy. The important thing is to remodel the CAP in accordance with the provisions of Article 39 of the Treaty of Rome and not to try to base revenue policy exclusively on price policy, but to take a few other factors into account as well. What this means is that despite the split personality Parliament tends to display each spring we have a job to do — namely, we must follow up the report that the ex-Chairman of the Committee on Agriculture, Sir Henry Plumb, presented to the plenary. I, or at least we, have requested and required the Committee on Agriculture to do their bit towards reforming the CAP in order to eliminate structural overproduction. That is the root of the problem and the aspect that has to be tackled.

Mr President, you cannot just sit back and say 'we submitted our proposals for improving the revenue situation in good time'. We are not concerned with revenue alone, and I have to concur with the Stuttgart agreement inasmuch as it says that something must be done about expenditure. Parliament has been maintaining this, incidentally, for years and it is gratifying to note that the European Council at Stuttgart more or less incorporated Parliament's proposals in its overall package. You will have to present some far-reaching proposals for the restructuring of expenditure. Our common aim and object must be — and this will be reflected in our joint deliberations — to observe the principles which I have just mentioned, *viz.*, this Parliament's resolution of December 1982 and February 1983, and to develop a policy for the European Communities which enables *all* the Member States to derive fair value — or a fair advantage — from the Community. On no account do we want a system based on *juste retour*.

Besides agricultural policy, regional policy will also have to undergo radical change in order to help the really backward regions. This means basically that quotas will have to be abolished. I know the Committee on Regional Policy and Regional Planning recommends keeping the 80 % quotas, but I cannot help wondering why a country like mine, for example,

should spend Community funds on regional assistance when it is perfectly capable of financing a regional aid programme of its own.

The same is true of other countries. Our regional policy is absurd and there is no reason for maintaining it: it needs reforming. The revenue side is one point, and the expenditure side is another, but the two must agree — or they must be made to agree. That, Mr Vice-President, is precisely what we have been saying all along. It is not enough to present revenue proposals; proposals for restructuring expenditure are required as well, and we will tell the Council as much during our consultation. Despite any apparent differences of opinion, I must state that Parliament is largely in agreement on the basic issues in its debates on this supplementary and amending budget, and the Council must realize too that things cannot go on as they are.

Just one last point, not about the supplementary budget. You yourself have said, Mr Tugendhat, that the Stuttgart agreement should not be confused with the agreement of 26 October 1982. We are not confusing the two agreements, but this is another instance of the European Council trying to usurp powers to which it is not entitled. Even the Council's determination of the amount was inadmissible, because it did not expressly state that the amount could or should be determined in the course of the 1984 budget debate. The declaration contains a passage that does not make this altogether clear. I warn you, Mr Tugendhat, not to try to interpret this affair as though the European Council had fully acknowledged Parliament's powers with regard to budgets. As far as I can recall from reading the German text, that is not the case. What we must tell the Budget Council — and I would ask you to note this — is that if matters in respect of 26 October 1982 and its consequences, and the need for a reform of agricultural policy referred to earlier, and the Stuttgart agreement as it affects the United Kingdom, are to take the course envisaged by the European Council, then — and I address this remark to the Council — it must be available for talks and consultations, if need be. It is nonsensical for the Budget Council to keep on saying that it cannot do so because it has not got the necessary powers. What value do negotiations between Parliament and the Council have in such circumstances? It amounts to a straightforward denial of Parliament's powers.

It sounded rather from your justification of the supplementary and amending budget, Mr Tugendhat, as though you too were tending to refute Parliament's powers. I hope that it merely sounded like that and you did not mean it, and I leave you to correct this impression. But the way you have dealt with questions now and in the past has given me this impression. Let me repeat: the Council and the Commission should respect the views expressed by Parliament on the 1982

Lange

supplementary budget — which we rejected — and the 1983/1 supplementary budget, which we accepted with certain reservations. These views continue to be authoritative and are the basis of all our discussions with you on the budget, whenever they may take place.

I can only agree with the rapporteur that two readings will probably be necessary, although I expect the Commission is hoping one will be enough. The subject-matter is far too complex and there is much too much at stake at the moment to try and rush the budget through Parliament, even if the Commission does believe its preliminary draft supplementary and amending budget to be in perfect shape. We beg to differ.

I wanted to make this clear so that no misunderstandings can arise about any difficulties we may run into. I therefore advise both the Council and the Commission to cooperate with Parliament, which for years and years has been drawing attention to certain problems that have been ignored by the Council and largely ignored by the Commission, which has merely produced inadequate, inappropriate or unsuitable proposals. I would like to see all this hammered out — as the European Council intended — during the next half-year, although we now in effect only have five months left before adopting the 1984 budget. We must aim to achieve some really useful results that promote the Community's future development.

(Applause)

President. — The debate is closed.

3. *Impact of the CAP on the Community's external relations (contd)*

President. — The next item is a continuation of the debate on the report by Sir Fred Catherwood (Doc. 1-248/83).¹

Mr Vitale (COM), draftsman for the Committee on Development and Cooperation. — *(IT)* Mr President, the Committee on Development and Cooperation has examined the problem of the impact of the common agricultural policy on the external relations of the Community, and has paid particular attention to its impact on the economies of the developing countries.

In some ways, its conclusions seem to us to agree with the motion tabled by the Committee on External Economic Relations. The Committee on Development began with the consideration that in order to meet the growing need for food, which is a central point in the Catherwood report, of the developing countries, we cannot just continue to create surpluses

and to give huge subsidies to these surpluses, but we must instead pursue the aim of furthering the autonomous development of agriculture in the developing countries. On this basis, the committee has pointed out that often both the supply and the demand for agricultural produce by the Community end up by hindering rather than promoting the autonomous development of the economies of the emerging countries, and this is for two reasons.

One is that the demand for some primary materials, especially fodder, such as soya beans, maize, oil-cake and cereal substitutes, is kept artificially high, and this has a harmful effect on the developing countries as their agriculture becomes geared to products for export and land, capital and efforts at organization are directed away from the cultivation of foodstuffs. In the opinion of the committee, the Commission should try to establish a policy of greater self-sufficiency in these sectors in order to help the developing countries to find a more equitable balance between export products and products grown to feed their own people.

Secondly, a serious obstacle to the autonomous development of agriculture in the developing countries comes from supply — that is, from exports from the Community. As long as Community exports are based on getting rid of surpluses of grain, milk powder, butter-oil and sugar, not only will the autonomous development of these agricultures be hindered, as, for example, in the cereals and animal-breeding sectors in general, which are fundamental for overcoming dietary deficiencies, but products which are fundamental for many countries, such as the very obvious case of sugar, will be grown less and less.

In the opinion of the Committee on Development a real change in agricultural policy is needed, from the point of view of both supply and demand. Firstly, more energetic measures are needed to promote a gradual reabsorption of the structural surpluses produced by the common agricultural policy, by progressively reducing the unlimited guarantees which have so far been given for some products. This is also stated in the Catherwood motion.

Secondly, the Community market should be further opened up to such products as sugar, some fruit and vegetables, tobacco and processed products.

The Community cannot deal with the problems of competition by artificially limiting imports or increasing exports by the use of subsidies. What we need is a real commercial policy based on appropriate instruments, which are not subsidies but long-term credits and commercial agreements, and on greater participation at all levels in international negotiations.

These, Madam President, are the suggestions which the Committee on Development wishes to submit for discussion today.

¹ See the debates of 5 July 1983.

Mr Seeler (S). — (*DE*) Madam President, ladies and gentlemen, this debate follows immediately on the debate on the supplementary budget for 1983, and it, too, is mainly concerned with financial problems.

The Community's external agricultural policy is an oddity in many respects, and sometimes even a dangerous oddity. The European Community has become one of the world's major food exporters despite the fact that its Member States are industrial nations. This is indeed odd, for the Community's agricultural exports are not the result of normal economic development but the fruits of a misguided internal agricultural policy. The increasing surpluses produced in consequence of this policy have to be disposed of on world markets, often without any regard whatever to the costs involved. That is a very extravagant luxury for us to permit ourselves.

This policy has a substantial impact on the European Community's external relations. In the first place, the export subsidies that have to be paid swallow up funds which are urgently needed for other purposes, including the development of a sound agricultural structure.

In the second place, EC products tend to depress world market prices, entailing higher subsidies for European Community farmers and reducing the income of farmers in major agricultural exporting countries. These subsidies are in line with GATT, but GATT stipulates that the world market share of such subsidized products should remain within reasonable limits, which the traditional agricultural exporters are accusing us increasingly of not observing.

Despite being an industrialized region the EC has developed into a powerful competitor of the traditional farming countries, especially Australia, New Zealand, the USA and Argentina. This is a potential source of serious conflict. The USA is still being forced by its budgetary policy, or rather its vast budgetary deficit combined with its enormous current-account deficit, to maintain high interest-rates and to keep the dollar strong. As a result, it is harder for American farmers to sell their products on the world market. But the day is coming when this will change, and then the USA will have no difficulty in undercutting EC agricultural producers. We have only to recall the 1 million ton Egyptian wheat deal.

The dangers of the Community's agricultural export practices to the Community as a whole should not be underestimated. Agricultural products, it should not be forgotten, make up 10 % of our total exports. Industrial goods and services account for the remaining 90 %, but there is a risk of the 10 % jeopardizing the 90 %. Our artificially low price-levels reduce other countries' export income and hence the foreign exchange they need to purchase goods from us.

Another point is that the EC has virtually closed its markets to any agricultural products that compete

with its own, so that non-EC agricultural exporters can sell very little in Europe. This in turn affects our industrial exports.

There is another extravagant oddity associated with the CAP. To meet its requirements and produce the surpluses that have to be exported at such high cost, the EC has to import over 50 million tons of feedstuffs each year, using up resources and energy to pay for them. In other words, we buy expensive, superfluous feedstuffs to produce superfluous surpluses which we then export at a loss. This is the circular route in which the EC is squandering its funds, and I cannot warn too strongly against the continuation of this policy.

My political group is in favour of Sir Fred Catherwood's report and particularly welcomes the proposal for a new GATT round of talks on agricultural trade with a view to stabilizing foreign trade and restricting exports of food from the EC in order to protect our industrial exports. It is imperative that we reduce our surpluses and bring production into line with demand. This would release substantial funds for financing a constructive European agricultural policy worthy of the name.

Mr Jonker (PPE). — (*NL*) Madam President, ladies and gentlemen, on behalf of my group I shall begin by offering my sincere congratulations to Sir Fred Catherwood on the report and motion for a resolution he has presented to us. As I have already said in the Committee on External Economic Relations, we are very satisfied with these documents, and the various amendments we have tabled should not be seen as a lack of appreciation, merely as a desire to see as large a majority of the European Parliament as possible giving his work their approval.

The Community is the largest importer of agricultural produce in the world. This means the Community has an important task to perform, it means that it has a tremendous responsibility towards all those countries in the world that want to export to the Community. Whether they are rich or poor, in the West or the East, the South or the North, they need the Community, and we must try to ensure fair distribution.

As regards the amendments and the motion for a resolution, I will confine myself to three comments. I believe that I should discuss those amendments that are already available. I shall begin with a few words on the Community preference, then say something about relations with the United States and conclude with a few remarks on the policy towards surpluses.

I often have the impression, when the talk turns to Community preference, that the general feeling is summed up in the phrase: Up with the prices and down with the frontier barriers! We should shield ourselves from the rest of the world and so give prefer-

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ence to what we produce ourselves. We do, of course, have a customs union, and the essence of a customs union is that we give preference to trade in and the sale of our own national or Community products over the same products from third countries. But I want to make it absolutely clear that our giving preferential treatment to each other's products must not be allowed to result in the total protection of European agriculture. This preferential treatment must be aligned with the international commitments we have entered into in the past. When it is realized, for example, how much it cost the Americans at the GATT negotiations to gain acceptance for the free access of cereal derivatives to the Community market, when it is realized how much the Community has had to pay in the past for the introduction of the levy system, we cannot set ourselves aside and say that the situation is different now and we must close our frontiers, despite the agreements we have signed. Community preference must therefore be seen in the light of and in compliance with international agreements. I believe that, where agricultural products are concerned, the world would have been a completely different place if the Americans had accepted the proposals we made during the Kennedy Round that support amounts should be frozen and world-wide agreements reached, but free trade was the watchword, and now we have to put up with the consequences.

It is remarkable that, while we in the Community have preferential agreements, association agreements with many countries, the discussions with the United States are carried on (a) bilaterally and (b) within the framework of international agreements. And yet it must be said that as a Community we have always had difficulties with the Americans over agriculture. They began in the 1960s with the chicken war, when the Americans said: 'We cannot sell our chickens on the European market any more,' and the European answer was, 'But we need your cereals to produce our own chickens'. This situation has changed completely. We now have a surplus of cereals of our own, and to be honest, I agree with Sir Fred Catherwood's motion for a resolution, where it says that, to put it quite simply, as Mr Seeler has just said, it is better to talk to the Americans than to fight them. We must avoid a trade war for the very simple reason that, with our budget as it is, we cannot win it.

I am also convinced that the United States has by no means always been absolutely wrong throughout its discussions with the Community on the agricultural policy and we have not always been right. If we look at the trend in the world market, we find that the Community's share of world trade in flour, for example, has risen from 10% to 40%. The losers have been the Americans. This is no excuse for what the Americans have done in Egypt, but it goes some way towards explaining their action. And I believe, Madam President, that it would be wise not to dig too deep now that the two sides are negotiating, not to philoso-

phize too much on the nature of the agricultural policy. It would be wiser to tackle the problems objectively and pragmatically. It is better to say soberly what is at stake, cereals and flour, poultry and dairy products. Both sides have enormous stocks of these products. We must solve these problems, Madam President, and, having confidence in the Commission and our negotiator, Mr Haferkamp, I believe we shall eventually succeed.

The idea of buffer-stocks, the laying down of strategic reserves, has been removed from the Catherwood resolution. In some ways, it was my idea. I made a great effort during the discussions. To be honest, I am still for buffer-stocks, but I have reached the conclusion that they would not really achieve a great deal. When we realize that at present we have 11 million tons of cereals stored in the Community, the creation of buffer-stocks would not be enough, and even though we say that we must eventually set up a world food bank, I believe we must say, despite the Commission's plans for denaturing, all right, although it is a good thing to have strategic reserves, they will not solve the basic problem of surpluses. Even if this denaturing goes ahead, we must assume that such reserves will be too expensive and that cheaper cereal derivatives will always get into the Community. What we must say to the Americans is that, at the moment and as long as we allow cereal derivatives to enter the Community duty-free, we must be permitted under this arrangement and the Americans must permit us to sell our own cereal surpluses on the world market.

The problem in the dairy sector is even more difficult. As a result of technical developments in milk production, supply far exceeds demand, and there is no slowing down these technical developments. They have started in one or two countries of the Community, but I am sure that they will be common property throughout the Community in a few years. One thing is certain: we shall never overcome the problem of surpluses in the dairy sector unless we make substantial changes to the system of intervention prices. These intervention prices can never apply to the whole of production. And we must place greater emphasis on the need for the farmer, the owner of the livestock, to become more of a businessman than he is now. He must stop seeking his salvation in cheese, because we already have overproduction in that sector, and start looking for new products and new markets. I believe that this, together with the intervention prices, is the only way in which the problem, as it relates to one part of production, can be solved.

I also believe that these surpluses should not be overdramatized. They were worse in the 1960s. The Commission's plans for increasing the prices of animal feeding-stuffs will undoubtedly help to reduce these surpluses. We can also see that the strong dollar is reducing imports, including, without a doubt, imports of cereal derivatives. The world market price of tapioca at the moment is so high that it is only

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used in areas close to the ports. It can therefore be seen, and this is the conclusion to be drawn from these three points, that the consumption of cereals in the Community is rising at the expense of imports, and if it is a normal process, that is a satisfactory trend.

To conclude, Madam President, my group has tabled an amendment concerning the quantum system. I should like to make it very clear that I am personally opposed to the quantum system on four grounds: firstly, I believe it runs counter to an economic approach to production and leads to the consolidation of the structure of production; secondly, it results in a kind of protectionism at the internal frontiers, where we are saddled with national quotas; thirdly, a quantum always tends to push the price up; and fourthly, a quantum unfortunately soon provides openings for fraud.

Madam President, we can only conclude that the Commission has unfortunately not succeeded in pursuing a policy that puts the brakes on surpluses. I must also say very clearly — and we have often said it before — that this cannot be done with price and co-responsibility policies. A great deal more has to be done. As I have already said, something must at least be done about intervention prices. We look forward with great interest to receiving the Commission's proposals on 1 August and we shall appraise them critically but sympathetically.

Mr Spencer (ED). — Madam President, it has been said that execution, or the prospect of it, concentrates the mind wonderfully, and I can think, as Mr Seeler pointed out, of no better introduction to this debate than the previous debate on the budget crisis which now faces the Community.

So let us be clear-sighted and honest with ourselves. We protect our agriculture and, *en passant*, amendments from my farming friends that seek to delete the word 'protection' are in this connection dishonest. We protect for two reasons: in order to feed ourselves, and in order to achieve temperate product self-sufficiency. In this strange hierarchy of humbug that is protection, that is a reasonable argument. It is an argument that I accept, but it is an argument that is not justifiable once we continue beyond temperate product self-sufficiency into the bottomless pit of open-end subsidies for escalating exports.

Secondly, we protect because of social need. I accept that argument as well. The CAP has done wonders for the poorest of our citizens on the land in Europe over the last 25-30 years; but when I look around the farms of Europe, it seems to me that today's social need is concentrated amongst the olive-groves and the vineyards of the Mediterranean and not among the agri-business giants of the North. I caution my southern friends against believing that they have an automatic identity of interest with the giants of the

North, because at a time of financial stringency politics adopts the language of priorities. If we cannot control expenditure on the northern products with their established régimes, there will be nothing for the South.

Madam President, after all this sound and fury, what are we asking for in the Catherwood report? We are looking rather at its future development once it has gone beyond the threshold of temperate product self-sufficiency. We are asking Parliament to restate its support for the wise words of Farmer Plumb in the Plumb report passed by this Parliament. The message from the Committee on External Economic Relations is a simple one, and I am sad that Mr Jonker, in an otherwise splendid speech, felt unable to support the rapporteur on the one key paragraph in his report. We are asking that Parliament honour its vote on the Plumb report before our over-indulgence sours our relations with our trading partners and puts in jeopardy the industrial exports on which our ability to protect our farmers at the end of the day depends.

We do not have that much time left. We have to take some tough decisions. I believe that one of the tough decisions we have to take is to pass the Catherwood report, unamended, today.

Mrs Baduel Glorioso (COM). — (*IT*) Madam President, ladies and gentlemen, we have an interesting report before us and one which is very pertinent, and I should like to thank the rapporteur, Sir Fred Catherwood — particularly because to speak of the impact of the CAP on the external relations of the Community means taking account of new circumstances which have only really become apparent in recent years. However, these circumstances have now become an obstacle to the furtherance of normal external relations. I shall never tire of saying that the Community might well have need of a more coordinated and coherent foreign policy, and of a more coherent commercial policy. But this time our rapporteur has, unfortunately, not wanted to tackle this problem. I should really like to see a coherent, overall commercial policy with all other countries — the United States, Canada, Australia, the Mediterranean countries and the Third-World countries — which indicates the possibility for the European Economic Community to join in and play a part in world affairs, including the way in which it carries out its great rôle as a major commercial power in world. This has never come about, and this Community seems to hate taking a world view in all its sectors.

The Catherwood reports is particularly pertinent because of the very high cost of the CAP. We are financing a Community agricultural policy and a perfectly normal form of protectionism which has allowed us to become self-sufficient in food and agriculture. But we are maintaining it at too high a price. This is a matter which of itself should lead us to re-ex-

Glorioso

amine the problem, together with the conflicts which have already arisen more than once in this Parliament and which continue to arise when this problem is discussed in the Committee on Agriculture.

We have attained self-sufficiency, but not completely. If we look at the fodder sector, which others have already mentioned, we see that we are still largely dependent on others, and it is precisely fodder and products related to feeding-stuffs like gluten feed which can enter our market in unrestricted quantities and duty-free. These are American products. For third-world products, we fix 'ceilings' and they are not duty-free. But all these products allow us to develop the breeding of animals at a low price: we produce more milk, more butter and more meat — surpluses which we then export. The reference to our lack of self-sufficiency in fodder is not, therefore, fortuitous, even if using European cereals would lead to higher production costs.

There is no doubt that the EEC has recently become an exporter, and this is a matter of serious concern for the traditional exporting countries, in particular Australia and New Zealand, which do not have the same negotiating power as the United States. For its part, the United States has begun a real legal battle with the EEC. Now, far from wanting a war of any kind, even if only a commercial war, we are prepared to negotiate at every table whether bilateral, GATT, prices and products or anything else. However, we must say exactly how things stand: the great domination of American agriculture in the world is due to great protectionism, which is at least equal to what we have created in Europe. While wishing to negotiate, we must nevertheless negotiate on equal terms, with a desire for a mutual reduction of protective tariffs so as to lead to increased sales and the improved marketing of products, for example in the Third World, in conditions which are genuinely competitive. On this question we support the opinion submitted by the Committee on Development and Cooperation.

As regards the American negotiators, our form of protectionism is different but not greater. Indeed, we note, as is said in Sir Fred Catherwood's report, that the EEC has a deficit of 7 000 million dollars in agricultural trade with the USA.

The negotiations must, therefore, be serious and must bring results. They must reflect that other aspect of the need to reduce the support given to the production of surpluses, which is the provision of a fair income for producers by other means.

I should like to say one more word, Madam President, about the problem of the Mediterranean in the light of the enlargement of the Community, as regards both the countries of Southern Europe and the other Mediterranean countries, and to prepare Spain and Portugal for the new phase of enlargement which will result

from their entry into the EEC. We know that enlargement will be one of our next objectives, and many problems will be raised in order to delay it. We say again that we are in favour of the entry of Spain and Portugal into the EEC, and as soon as possible. Any problems must and can be resolved.

In general it seems to us that the Catherwood report is very fair, and so it should be supported.

Mrs Martin (L). — (*FR*) Mr President, ladies and gentlemen, this report on the influence of the common agricultural policy on the external relations of the European Community takes us once again to the very heart of the debate on the future of the CAP, to the very heart of the issue of the directions to be taken for the future of Europe.

Manifestly, we shall not have any clear vision of the Europe of tomorrow until such time as we have at least defined a clear outline of the common agricultural policy of the future, for which purpose we must answer two essential questions: do we, or do we not, want an expanding agriculture; do we, or do we not, wish to be resolutely export-oriented and to develop our commercial policy?

Our Community lacks mineral resources. Must it not make the most of its land and, *ipso facto*, of its agriculture? We can no longer make do with correctives, adjustments, fragmentary and even sometimes inconsistent solutions. The Community needs to develop new momentum, and the farmers cannot go on living in the present climate of uncertainty.

This means that we must redefine the main aims and principles of the agricultural policy so that our farmers can earn a living from their trade and we can conduct trade with other countries on a proper footing. To succeed in this, we need a real policy on guidance of production taking account of internal requirements, the levels of stocks needed and the market openings available. We also need a clearly-defined policy on imports. Europe has now become the largest importer in the world, representing 25% of the international market. We are criticized for the surpluses of milk products; are we aware that a substantial proportion of these surpluses is made from imported substitute products and that, for instance, in order to become self-sufficient in animal feedstuffs, we should have to cultivate 10 million hectares more than at present? This example alone is enough to demonstrate how necessary it is to have proper guidance of production!

We also need clearer definition of our system of aids and of the nature of our trade with the underdeveloped and developing countries. We must join with them in formulating a long-term policy on food aid and support for the development of their own food crops, for it is essential to help them carry through their own development.

Mrs Martin

Above all, however, we must be resolutely export-oriented. At a time when the United States is really discovering 'green power' we cannot go on constantly giving ground, especially since the accusation that we subsidize our agriculture excessively is no longer founded, given that their expenditure on behalf of their own agriculture is on the same level as in Europe.

We have to be aware that a fair agreement between these two great international economic partners, the United States and the EEC, is essential, as the rapporteur has said, in order to avoid protectionist tendencies and to secure the recovery and development of international trade. We have everything to lose by engaging in unreasonable competition and running each other into the ground.

There is also, of course, every reason why it is essential for us to define the type of agriculture that we are prepared to defend. For instance, at a time when we have surpluses on our hands, can we go on supporting the virtually entirely industrial production units that many dairy farms in northern Europe have become? If so, it will also be necessary to dismantle all barriers to the movement of products, beginning by removing what has now become the chronic problem of monetary compensatory amounts.

Our success or failure in taking these decisions will determine the future of Europe. We are deluding ourselves if we believe or try to give the impression that we shall be able to build other European policies by cutting the cost of the one that we already have or destroying it.

Commissioner Tugendhat was saying earlier on that if we had followed the Commission's proposals for agricultural prices, we would have made very appreciable savings. — Perhaps, but has he also asked himself how many farmers we should have put out of business and how much this would have cost each Member State? Let us have the courage to face the facts, to tackle the difficulties head on, and we shall restore hope among Europeans and give Europe a future once again!

Mr Mouchel (DEP). — *(FR)* Madam President, ladies and gentlemen, I could have opened my speech by saying that Community protectionism is preventing the United States from increasing its exports of agricultural produce as much as it would wish. I could also have said that the market-support measures financed out of the Community budget and the high level of guaranteed prices in particular are inducements to increased production, and that the Community's export policy and the refunds in particular are aimed not only at making up the difference between the price on the world market and the price on the internal market but also at increasing the Community's share of world trade at the expense of the United States.

Similarly, I could have said that the volume of the preference agreements with third countries is limiting the scope for application of the most-favoured-nation clause that the United States wishes to maintain, and that this creates reserved market areas, again at the expense of American exporters.

But do not be alarmed, such ideas are far from my mind, I do not subscribe to them in any way, but unfortunately I find that they are a little too much in evidence in Mr Catherwood's report, although it has been improved since the original version.

I too believe that it is necessary to seek an agreement with the United States and a number of other countries in an effort to organize international markets, but this definitely does not mean giving in too easily to what the Americans want to impose on us.

Moreover, this report, ostensibly a study of international trade relations, is in my view yet another criticism of the Community's agricultural policy, and is too close to Washington in its thinking, although it does not confine its generosity to the United States.

It is also unduly considerate of some of our competitors, especially New Zealand and Australia, whose zero-duty exports are a contributory factor in the troubles of the common agricultural policy and the Community's budgetary difficulties. It is perhaps not inappropriate at this point to stress that, whereas there has indeed been an increase in output of milk products in the Community, the rise has been particularly steep in the United Kingdom, and much of it has been made possible by imports of seed cake attracting neither customs duties nor levies. Let us therefore make a start by curbing these imports which are helping to create surpluses.

I should also point out that the United Kingdom is among the Member States where the decline in consumption of milk products was sharpest during 1982, and that this same country is the sole beneficiary of almost 90 000 tonnes of butter imports from New Zealand.

There are other criticisms of this report that I could make, but my time is restricted. I shall therefore conclude by saying that it would be politically suicidal, at a time when confidence in the construction of Europe is being undermined from within and outside, to seek either openly or insidiously to destroy the only common policy that we have at present, the agricultural policy.

My group is concerned about the need for effective action on behalf of those who are most vulnerable. It is conscious of the importance of the common agricultural policy to the future of the construction of Europe.

We are committed to the common agricultural policy and shall continue to strive for the prosperity of European farming, for the prosperity of Europe. I therefore do not see how I or my group can vote for this report.

Mr Pasmazoglou (NI). — (GR) Madam President, the text we are now debating and the resolution that Parliament is being called upon to approve are topical, and relate to the core of the more general problem faced by the European Community, because as has emerged from today's debate on the supplementary budget for 1983, the central theme is that we should control expenditure on the CAP.

At the same time, I wish to stress that the proposed resolution does not deny the basic importance of the CAP. On the contrary, I believe that by virtue of the amendments proposed to this resolution, the CAP will be made firmer, more secure and more fruitful, so that it may serve the interests of the Community as a whole and those of countries with an important agricultural sector in particular.

A central notion of the resolution is the pursuit of an understanding and agreement with the United States of America, but without recognizing the basic argument of the Americans. On the contrary, there are very serious arguments to show that the American position is ill-founded. However, this does not mean that we should not reach agreement. I also believe that the resolution we are debating, with the arguments it opposes to the views of the Americans, is a powerful weapon in the great international negotiation concerning agricultural products with the USA. Thus, I think its orientation is healthy and reinforces the CAP. Besides, the Mediterranean countries, and therefore Greece as well, could next approve a resolution which did not strengthen the foundations of, and indeed improve the CAP. Having said that, Madam President, I wish to highlight the following characteristics of the reorganizations proposed for the CAP.

Firstly, it is proposed to limit structural surpluses; not every surplus, but the permanent structural surpluses that create a serious problem within the Community. This is the problem we face, and it will have an impact on all the decisions the European Parliament and the governments of the ten countries will have to make during the second half of 1983.

The second characteristic is the recognition of the importance of the agricultural sector in connection with agricultural preference. Common agricultural preference is deemed to be necessary and is not questioned. The Mediterranean countries, and of course Greece, could certainly never entertain any doubt upon the matter.

The third factor is the reference to developing countries, to the hunger and poverty that exist in the world. On these points the resolution we are debating outlines a bold policy, and I believe that with the necessary reorganizations we can help, as a Community, to solve this great problem, while at the same time strengthening the CAP.

I also want to refer to the importance of this resolution for the Mediterranean south. For us, Article 8 is fundamental, because it envisages a Mediterranean

agricultural policy. This policy must be supported, bearing in mind the need for special treatment for small producers, for sensitive regions, particularly island and mountainous regions, and for sensitive products such as oil, citrus fruits, tobacco and other Mediterranean products. If these proposals are examined in the light of the accession of Spain and Portugal, with perhaps other Mediterranean countries as well, I think the result will be very positive. I hope that Parliament will approve this resolution by a large majority.

Mrs Wieczorek-Zeul (S). — (DE) Madam President, ladies and gentlemen, I would like to thank Sir Fred Catherwood most sincerely for his remarkable and important report, and especially for the cooperative way he presided over deliberations in committee. Many of the honourable Members taking part in the debate this morning seem intent on perpetuating the myth that it is our moral duty to export our agricultural products to the developing countries, and that we are thereby aiding the Third World. The Gaullist Member was the last speaker to say this, but he obviously hasn't read the report properly and is overlooking some of the facts. Sir Fred's report quotes from a study by Valdez and Zietz pointing out that the developing countries have lost US \$ 3 000 m as a result of measures taken by 17 industrialized nations to protect 99 agricultural products. We are therefore harming Third World countries by continuing to export agricultural products in this way.

(Cries of 'Hear, hear!')

Secondly, I think these colleagues should remember that developing countries are being discouraged from animal husbandry and sugar-growing by low and unstable prices, for which our export subsidies are partly responsible. As we have said repeatedly in debates on policy towards developing countries, Third World countries are being prevented from developing their own agriculture and thereby becoming less dependent on us.

True, the USA also subsidizes its farmers and it is sheer hypocrisy for the Americans to point an accusing finger at the Europeans for doing likewise. The conclusion to be drawn from this, we believe, is that the EC should negotiate with the USA — e.g., within the terms of GATT or on a bilateral basis — to restrict the subsidization of exports by all industrial nations and vendor countries. I would like to address a special remark to the members of the Christian-Democratic Group: the British Conservatives and the Socialist Group are in agreement that this is a case for less planning and more free enterprise. Now have a heart and support the market economy in an area where you normally only ever pay it lip service! Here is your opportunity.

Are there in fact any sectors in which we are prepared to help the developing countries? We have started

Wieczorek-Zeul

erecting protectionist barriers in the industrial sector and we are trying to restrict developing countries' share of agricultural markets too. The EC is throwing away an opportunity here. I consequently think it absurd of Mr Mouchel to criticize the report for being too favourable to the USA. The US Administration's attitude on economic issues may be expansion-oriented in many respects, but the question is how the EC can counteract this expansionism most effectively without harming itself in the process. To wage a food-subsidy war with the USA would mean letting the US Administration decide whether the EC is to hopelessly overstep its budget, because an American agricultural export offensive would immediately depress world market prices even further and cause export subsidies for European farmers to soar. In my opinion, the EC should not get involved in any conflicts with the USA which it cannot win. We have a new instrument of foreign trade policy in the shape of Mr Blumenfeld's remarkable report, which indicates that the EC can risk conflict in the industrial sector but should not join battle in sectors where such conflicts would be damaging.

Mr Blumenfeld (PPE). — (DE) Madam President, I would like to second those of my colleagues who have so rightly congratulated Sir Fred Catherwood on his extremely important report. I believe its influence will extend far beyond Strasbourg and that it will be read and noted with great interest in the developing countries and the USA. I can scarcely remember any committee ever devoting so much time and effort to the phrasing of a report, in an attempt to reconcile the European Community's natural agricultural interests with our position on foreign trade, which is a liberal one.

Only a few months ago, the row over the gas-pipeline deal with the Soviet Union having just subsided and the question of steel exports to the USA having been settled reasonably satisfactorily, a new trade conflict loomed. This was due to Community policy on food subsidies, which was criticized by the USA and others and which formed the subject of GATT talks. The USA responded in no uncertain terms with its Egyptian wheat deal, which was based on a heavily-subsidized price combined with low-interest loans. This really seemed to pave the way for new conflicts, and we have been pleased to note that the Commission has succeeded in mitigating the situation by negotiations in recent months.

There is no point in us Europeans replying to American threats with equally forceful rhetoric, since the Americans have confined themselves to the Egyptian wheat deal, despite threats to the contrary. One reason may be that the rise in world market grain-prices has eased the pressure on American farmers. I believe, however, that the USA's main fear was that neither side would emerge victorious from a US-EC

trade conflict, but that the only party to profit from it would be the world's largest net grain importer, i.e. the Soviet Union.

It would be foolish to ignore the fact that, after the mounting problems we have faced in recent years in connection with both overproduction and surplus exports, particularly of milk products, we are going to have further surpluses of Mediterranean products in the months and years ahead, especially in view of Spain's and Portugal's accession to the Community. As we know, we cannot afford these surpluses any more, and they would prove extremely damaging to our external relations. Sir Fred's report is thus not concerned with agricultural questions like milk production, etc., but with threats to, and trends in, our external relations arising out of the Community's restrictive agricultural export policy.

Mr Seeler is right in saying that the European Community derives 90 % of its livelihood from manufacturing and exporting industrial and commercial goods. This is the foundation of our economy, on which European farmer's prosperity also rests. We do not wish to reduce it, but nor do we want to prejudice this foundation. That is why I have tabled an amendment to paragraph 7 on behalf of my political group, expressly stating that the Community should allow developing countries access to Community agricultural markets and that the associated countries and countries with which the Community has preference agreements be duly and properly consulted in connection with the Spanish and Portuguese accession negotiations.

There is one last point I would like to make. As a result of a suggestion I put forward in the Committee on External Economic Relations, an attempt has been made in paragraph 13 to review the possibility of reducing surpluses. I call upon the Commission not to accept any more stonewalling, but to have experts look at the question of hardened butter-oil as a means of cutting surpluses. I don't want to go into details, merely to state that hardened butter-oil could ease the butter-market situation enormously, and that there is no danger of reconstitution. These proposals of mine, which have been incorporated in the report, meet our object of providing food aid, and a pilot project would enable us to withdraw hundreds of thousands of tons of butter from the market. We should thus be helping to improve our own situation and at the same time making a substantial contribution to feeding the Third World.

Mr C. Jackson (ED). — Mr President, tomorrow this House will, for the first time, review the totality of the European Community's policies towards developing countries, and I am very glad that prior to this, the Catherwood report should give us a chance to look in detail at the external impact of the Community's most important internal policy.

C. Jackson

The CAP has a profound impact on developing countries. I will say at once that I support very strongly the theme of this report, with one small exception, and here I have to differ with the previous speaker. One paragraph advocates disposing of our increasing milk surpluses through the export of hardened butter-oil. I hope we shall reject this. It is putting the cart before the horse, because it does not fit the development over recent years of a policy that emphasizes support for food strategies and indigenous production. Members may recall that in the 1983 budget we had a minor triumph when we cut butter-oil aid because it was too expensive and because we felt the cash involved could be better used elsewhere. I believe it is profoundly wrong to let our surpluses dictate our food-aid policy.

We are rightly proud of the internal successes of European agriculture, but the report is absolutely right in emphasizing that the European Community cannot possibly feed 3 400 million people in developing countries. Above all, we should do nothing that stops the Third World from feeding itself, and yet that is just what we do. As Sir Fred said yesterday, if our surpluses drive world prices too low, local food production in Third World countries is discouraged, and crops for export are discouraged as well. And that is nothing short of immoral.

The European Community is the world's biggest aid-giver. We genuinely want to help, but we act on occasion as if our left hand did not know what our right hand was doing. In certain agricultural matters we cause gratuitous harm, and I want to take just a few examples.

First, unnecessary tariffs. Knowing the weather in Europe in the winter, one cannot be surprised that European Community production of strawberries between November and March is negligible, but it so happens that Kenya and Senegal want to export strawberries to us. That is nice for us and it would be helpful for them; but the distance in air-freight costs means that the 14 % tariff that we impose makes this business uneconomical. In the case of honey, where we are not self-sufficient, we impose a 27 % tariff. If we really want to help, we should abolish these niggling tariffs and help Third World countries.

Secondly, disruption of trade. You may know that there have been enormous imports of manioc to the Community. This was encouraged with the help of European Community aid to get small farmers in Thailand to produce manioc as a cash crop. As grain prices are so high in Europe, there was a big demand for animal feed. So what have we done? Under pressure from the Commission, Thailand has agreed to cut down these manioc exports, but at the same time, we let the USA go on exporting corn gluten to us. And that is just nonsense.

Finally, the effect of surpluses. Sugar is the worst example. It has driven the world price far down, yet several developing countries are almost entirely dependent on sugar for their exports. This is entirely wrong. We behave like Dr Jekyll and Mr Hyde. We are a Dr Jekyll when we help developing countries with aid and a Mr Hyde when our agricultural policy inadvertently causes them harm. I very much hope that the Catherwood report, which has so many excellent suggestions for improving the situation, will be carried by this House with an enormous majority.

IN THE CHAIR : MR PFLIMLIN

Vice-President

Mrs Poirier (COM). — (FR) Mr President, in his initial report, Sir Fred Catherwood openly defended the economic interests of the United States. After this report had been examined by the Committee on External Economic Relations, the more provocative aspect were excised, but we still find the tone thoroughly unacceptable.

Setting aside the polemics on subsidies, the essential aim is to open up the Community market, to a large and ever-increasing degree, to agricultural products from third countries, and this would be the essential effect, with, as we all know, serious repercussions on European farmers. Adoption of the guarantee thresholds, coupled with co-responsibility measures, would be tantamount to a cold-blooded sacrifice of thousands and thousands of family holdings for the benefit of the exporting firms, while no advantage whatsoever would accrue to the consumer.

The report very rightly acknowledges that the United States share of the market has diminished in certain parts of the world, not because of the workings of the CAP but because of the rise in the dollar and economic sanctions. However, any of us looking for the logical conclusions that follow from this will have been disappointed; what we find instead is an extremely passive — not to say, indulgent — attitude towards the American offensive. We find the same attitude in relation to enlargement, which the rapporteur acknowledges could have adverse effects on exports to the EEC from the Mediterranean countries, but nevertheless approves in unqualified terms.

We agree that some aspects of the report, particularly the analysis of the situation, are positive, but it has to be said that this is so only because of a number of amendments passed in committee. In a constructive spirit, we have therefore tabled some further amendments for the plenary sitting. Our main purposes are to secure fuller compliance with Community principles and to affirm our wish to see a positive Community response to the offensive from the United States and other exporting groups.

Poirier

More specifically, we hold that EEC trade relations with Australia and New Zealand should not penalize our farmers. What possible justification can there be for that? It follows that the preferential arrangements for New Zealand's butter exports to the United Kingdom must be abolished, which was one of the things called for by this House in its last resolution on agricultural prices.

We once again call for the introduction of a selective policy on import levies on fats, plant products and substitutes from third countries other than developing countries, if necessary renegotiating certain clauses of the GATT which put particular trade partners at an advantage. We maintain that there is no justification for renegotiating the principles and instruments of the CAP in the GATT framework, since they are part of the rights and obligations of the Community.

The Commission must therefore display greater firmness in negotiations with the United States, since it has now been established that earnestness of goodwill that it has given, for instance by agreeing unilaterally to limit its cereal exports, are, I repeat, totally ineffectual. The Community should instead equip itself with instruments of commercial policy with which to respond to the trade practices of third countries. It should also establish a proper export policy in order to improve its trade balance and, in our view, a major part of this policy should be the conclusion of long-term contracts to supply agricultural products, an option rejected by the rapporteur.

Mr President, the reception given to our amendments will determine how we vote on the final motion for a resolution.

Mr Delatte (L). — *(FR)* Mr President, ladies and gentlemen, the subject of the report by our colleague Sir Fred Catherwood is of course highly topical, and we all know that the common agricultural policy has an important influence on the external relations of the Community. My group is pleased to note that the rapporteur draws attention to the achievement of the common agricultural policy in securing a stable basis for agricultural production. I would add that it also deserves credit for our progress from a situation in which we had a considerable shortfall in production of foodstuffs to one in which we are now producing more than we require of certain products, or are at least self-sufficient.

At the same time, though, we have achieved stable supplies of foodstuffs in Europe by dint of price guarantees.

When considering the external relations of the Community and their influence on the common agricultural policy, a distinction has to be made between two categories, the first of which is made up by countries which have shortfalls in foodstuff production, although the Community looks to some of them for the tropical produce that it needs, and the other by

countries which produce surpluses and are looking for export markets, especially in the solvent countries. This is an important point to bear in mind.

The rapporteur is being objective in his analysis of the problem of our trade relations with third countries when he observes that every country in the world supports its farming industry and those producing surpluses subsidize their exports. This makes for artificial prices on the world market and thus distorts competition, even within the terms of the rules established under the GATT. Moreover, this practice means that foodstuffs are being sold at prices which are less than the cost of production, so that the consumer is becoming accustomed to believing that he could buy cheaply if trade in foodstuffs were less organized in the European Economic Community.

The rapporteur goes on to say — and I should like to take him up on this — that the level of export prices is a disincentive to production in the developing countries and suggests a reduction in European production to bring about a rise in world prices, the effect of which, he claims, would be to encourage these countries to produce foodstuffs to compete with those grown in the temperate countries and be sold on export markets at rewarding prices. I apologize to the rapporteur for saying this, but I am afraid that this reasoning lacks realism. In practice, if Europe were to withdraw gradually from export markets, the opportunities created would be taken up not by developing countries but by other surplus-producing countries, and we should have squandered part of our economic potential, let alone the inevitable social repercussions in the farming world.

Moreover, if we were to pay the developing countries high prices for products competing with our own, they themselves would wish to export more and more, whereas the logical course would be for them to grow food crops for their own peoples. This does not, of course, preclude the Community from paying them good prices for the tropical produce that it needs.

In view of the severe world food shortage, my group also considers that the objective of limiting production is of doubtful validity. On the other hand, it is essential to address the problem of disposing of surplus products, and we warmly endorse the proposal for an enlargement of trade agreements. An end must be put to the competitive subsidization of exports.

This is an enormous problem, and the recent United States sales of flour to Egypt clearly demonstrate the scale of the difficulties involved. However, the part played by the Community in foreign trade is fully in line with the GATT rules, and we can have a completely clear conscience in this respect.

In his paragraph 11, the rapporteur outlines proposals for determining the course taken by the common agricultural policy by using quantum, quotas, co-responsibility levies and so on. On behalf of my

Delatte

group, I should like to say that we have very strong reservations on this. We must not only maintain but improve our agricultural potential, and I have to tell the rapporteur that the future of the common agricultural policy is not a matter which can be dealt with in a few lines. It is a vital issue, one on which the debate should be given much greater breadth and depth. It is for this reason that we have tabled our amendments, which we very much hope will be adopted, in which event we shall be able to vote for the report.

Mr Almirante (NI). — *(IT)* Mr President, I should like to begin by warmly congratulating Sir Fred Catherwood, the chairman of the committee to which I have the honour of belonging, for the huge amount of work he has done on the problems of the Community agricultural policy, which are certainly the biggest and most important problems which our Parliament must consider. In this short speech I shall only refer to one matter: the consequences which the forthcoming entry of Spain and Portugal may have on agricultural policy. First of all, I should like to say that we Members of Parliament of the Italian political right have always been and continue to be totally in favour of the entry of Spain and Portugal, both for basic political reasons and for social and economic reasons. Only when Spain and Portugal are part of the Community can we say that we have brought about or can bring about that Mediterranean policy which has, until now, remained in the shadow, dominated by the needs and, let it be said, the greater importance of Central and Northern Europe, by what is called continental Europe.

We must, however, prevent the entry of Spain and Portugal from creating difficulties, and therefore from having, at least initially, very different or even contrary results by comparison with the hopes of all those who, like us, believe in a Mediterranean Europe. To take a completely realistic view of things we must, therefore, consider what the results of the entry of Spanish and Portuguese agriculture will be for Mediterranean agriculture as regards quality and quantity. The accession of Spain will mean an increase of 30 % in the utilized agricultural area of the Community; an increase of 25 % in employment in agriculture; and increases of 32 % in the number of farms and of 14 % in the number of consumers. As for Portugal, the accession of this country will only increase the utilized agricultural area by 4 % and the number of consumers by 3.6% but will increase employment in agriculture by 12.8%.

From the qualitative point of view, the entry of Spain will mean an increase of 25% in vegetables; 48% in fresh fruit, 59% in olive oil but only 6% in milk; 14.5% in cereals and 6% in sheep. The percentage increases arising from the entry of Portugal are very small. These figures show that it is Mediterranean products, and not those of continental Europe, which will suffer as a result of Spanish and Portuguese accession.

We must, therefore, foresee and forestall some very negative consequences which could be very harmful for the agriculture of the other countries around the Mediterranean; and in the light of this I should like to say that Sir Fred Catherwood's proposals need to be extended and clarified. It is not enough, in paragraph 8 of the motion for a resolution, to say that the accession of Spain and Portugal must take place without prejudice for the commercial relations of the Mediterranean countries; what should be said is that the accession of these countries must take place within the framework of a harmonization of the interests of all the Mediterranean countries. It should also be said, as far as the States which are already members of the Community are concerned, that the Community agricultural policy must be revised so as to enable those Community products which are most threatened — olive oil, fruit and vegetables — to withstand the competition of the products of the new partners; and it seems, above all, necessary that the transitional period, which is vaguely provided for in Sir Fred Catherwood's proposals should be made more precise, so that Spanish and Portuguese agriculture can come into the Community without initial shocks and in a framework of full and coherent cooperation. Finally, the countries of continental Europe must make up their minds to help finance a completely indispensable programme of stabilization, so accepting a self-imposed control of their agricultural products which lead to structural surpluses.

Mr Ziogas (S). — *(GR)* Mr President, Sir Fred Catherwood's excellent report on the consequences of the CAP for the Community's external relations comes at a particularly critical time for Community affairs and for the Community's relations with its most important partners, especially the United States of America. This is because in recent years the consequences of the CAP have no longer been limited to the Community's own territory, but are extending the EEC's external trade relations. Thus, the Community's export of agricultural produce are a principal cause of commercial and political friction with the USA in particular.

Mr President, it was a natural development that following the logical strategic target of becoming self-sufficient in agricultural produce, we should proceed to export the surpluses of one product after another, with unfavourable consequence for other countries that export foodstuffs. We cannot, however, agree with the view that the consequences of the CAP, and specifically the export of surpluses, are the root cause of the problems faced by the USA on the world agricultural market. In fact the Community is the largest importer of agricultural products and foodstuffs in the world. It accounts for approximately 25 % of the world's imports, while covering only 10 % of the world's export of agricultural products, and it has a deficit in its balance of agricultural trade with the USA of the order of 7 billion dollars. Indeed, many of these products are imported free from duty and they not

Ziagas

only conflict with the principle of Community preference, but are the cause of some of the Community's agricultural surpluses.

It is, in fact, rather difficult for us to follow the logic of the arguments put forward by the other side, though this does not mean that no understanding is possible. The problem of common agricultural surpluses will certainly have to be examined, with special provisions for small producers. However, the political decision that the European Parliament is called upon to take will have to defend our natural rights in international trade, and to safeguard the principles of the CAP.

Mr Früh (PPE), — *(DE)* Mr President, ladies and gentlemen, I would like to compliment the rapporteur but am afraid it might go to his head, as he has already received so many compliments today. He has drawn up this report with admirable patience, tenacity and thoroughness, and we all appreciate his efforts. He realizes, too, that it is rather difficult for a Committee on External Economic Relations to take decisions on agricultural policy. I commented on this at the time and suggested to him that the Committee on Agriculture could perhaps prepare a report on the European Community's foreign trade policy. Here might be an opportunity.

In any case the report has had one good result; it acknowledges the CAP and also acknowledges that there is no system in the developed world which abandons its agricultural products to the unbridled forces of world market speculation. I was pleased that more and more comparisons are being made and the one-sided criticisms of the CAP so frequently heard are being put more into perspective. I was really glad — and would like the Conservative group to note — that Mr Provan recently informed the COCERAL General Assembly of the tremendous efforts made by the USA in the last few years to expand its agricultural production, while these days fingers are being pointed accusingly at the European Community for upsetting something somewhere in the world. If we want to compare three agricultural systems, then let us look at the figures, which show that the EC and the USA spend the same amount on agricultural policy in relation to their GNP. Japan, the other major partner in this game, spends three times as much on its agricultural policy and is *not* being pilloried for doing so.

There is no overlooking the fact that the Community is the world's largest food exporter. This always leads to the subject of surpluses: Mrs Wiczorek-Zeul, Mr Blumenfeld — no matter what the speaker's political affiliations are, the theme is invariably the same. But surely we should be honest and frank enough to inquire into the causes of these surpluses! Then we should soon agree that we are not just dealing with a misguided agricultural policy but with hard-headed interests and import policies which often don't leave

our farmers any options. I am very grateful to Mrs Wiczorek-Zeul for referring to industry's pronounced protectionist tendencies with regard to developing countries. Some substantial concessions have been made to the developing countries with regard to agricultural products. I think it somewhat dishonest, not to say a trifle naïve, to say that because industry has opened up its markets agriculture must do the same. What industrial markets are developing countries allowed access to? Only those where they are not competitive! When things get serious, agriculture is much more generous than industry. It is time this was said.

I could talk at length about sugar, tapioca and the like, and I could philosophize about what really benefits the developing countries and where relics of colonialism still linger on, or what certain sweeping declarations on development policy — even in connection with the ACP countries — have to do with the real welfare of the developing countries, but I will not elaborate here.

This report represents a beginning. We have managed to gain a broad view of external relations, agricultural policy and development policy, and we have learnt a great deal in the process. If we continue this debate even more profoundly and as patiently as the chairman we shall be doing the European Community, the developing countries and the competing developed industrial nations all a service. We have got off to a good start with this report, and I call on all the political groups in Parliament to follow it up.

Mr Welsh (ED). — Mr President, listening to this debate, I am reminded of a discussion we had last January in Athens — I am sure Mr Gautier will remember it too — with our friends from the delegation of the US Congress. We were addressed by Congressman Delagazza, chairman of the House Agricultural Committee, in terms that would have brought a warm glow, I suspect, to the hearts of Mr Früh or Mr Clinton or Mr Mouchel and all those who advocate the interests of farmers in this place, because Mr Delagazza told us that farmers were not prepared to see their livelihoods destroyed; they were not prepared to see their export markets invaded; they were not prepared to see other people subsidizing products when they were the best producers in the world. The only problem, of course, was that he was talking about American farmers and not European ones. Otherwise we would have agreed with every word he said. I think we should recognize that on the other side of the Atlantic there are Congressmen and there are Senators who defend their farmers with just the same passionate conviction as we do here. They are, of course, entirely wrong; but anybody who listened to Mrs Poirier's contribution this morning will know that the fact that convictions are wrong does not prevent them being passionately held. So let us recognize that they have a problem too.

Welsh

The Catherwood report says in effect that we should stop sterile arguments about who subsidizes whom the most, because if we pursue that route what we get to are things like the Egyptian wheat deal. In fact, the Egyptian wheat deal was announced the very morning that Congressman Delagazza was talking to us, and it showed the immense power that the American economy has to subsidize its shipments to third-country markets if it wishes to do so.

This morning we debated the supplementary budget, which shows that we need an increase in agricultural spending. We know we are very close to the ceiling of our own resources. Are we seriously to go back to the national parliaments of our various Member States and tell them that we want the Community's own resources increased so that we can pour money into a food subsidy war with the United States which we cannot conceivably win? That way, Mr President, lies madness.

We have to accept that we have a problem. The problem is that there is a surplus, particularly in cereals, on world markets. We have already established with our friends in New Zealand a sensible and rational means of market management. Why on earth can we not establish the same sort of arrangement with our American friends as regards the management of the cereals market? What we need is to recognize the gesture that the Americans have made by taking 83 million acres out of production this year — 83 million! And that is their contribution, if you like, towards reducing the surplus. What we can do is to adopt a prudent price policy, particularly for cereals, which will make it rather less attractive for our farmers to overproduce and will also mean that my pig and poultry producers in Lancashire have a decent chance of selling their products because they are not driven out of business because of the escalating price of inputs.

The Catherwood report advocates mutual and balanced force reductions so that we can declare agricultural peace. I say to you all, my friends this morning most sincerely, the time has come for realism, so for heaven's sake leave your rhetoric at home!

Mr Alavanos (COM). — *(GR)* Mr President, I am sorry that Mr Welsh's only impressions of his trip to Athens were his discussions with members of the American Congress. If he had met any Greek farmers, he would not have been so foolhardy as to speak in this way before them.

Specifically with reference to the report of the Committee on External Economic Relations, I should like to say that it regards the CAP as a particularly painful and onerous mechanism of the Community that aims to protect its agricultural production and its farmers. That may be sometimes, but is not always the

case. On this point our experience in Greece is entirely characteristic and specific. I need only mention that while, in 1980, Greece enjoyed a surplus in her trade in agricultural products with the nine Common-Market countries amounting to 6.8 billion drachmas, in 1982, two years after her accession to the Community, there was a deficit, for the first time since the war, of 19 billion drachmas. Without in the least underestimating the problems faced today by France's agricultural production, we are aware that between 1958 and 1962 France's agricultural exports rose by 70%, and that in the first ten years after France's accession to the Common Market, her exports increased by 160%.

Secondly, our accession to the Common Market, instead of contributing to the development of our exports with the acquisition of new markets outside the Community, had precisely the opposite effect: a series of products similar to our own are penetrating into the Greek market and displacing our own products, which are either buried or remain unsold. For example, products are penetrating from Turkey, from the northern part of Cyprus occupied by the Turkish forces, from the United States, from Israel, and from other Mediterranean countries that exploit the possibilities afforded them by the selective application of the CAP.

Thirdly, our accession to the EEC has led to a decline in our exporting possibilities to the socialist countries, which would be a dynamic market for our agricultural products, because of the more general problems created for us by the EEC in the development of our relations with the socialist countries, and in particular the possibilities for developing our exports.

From this point of view I want to stress that especially for our country this mechanism of protection is a mechanism that undermines our agricultural production. Naturally, for as long as we remain within the EEC in accordance with the choice of the government of the day, we too will support the views expressed by Mrs Poirier concerning the application of Community preference, reaction to the American challenge, the promotion of long-term agreements, and even the exploitation of socialist markets, which are of particular importance to us.

However, we believe that a rational and ambitious framework for the development of Greece's agricultural production can only be secured by our withdrawal from the EEC. By doing that, we believe we shall be able to place on a more correct basis our relations with the other nine countries concerning this matter, since we see that in the two years since our accession the decline in our exports to other EEC countries has created problems much greater than those faced by Turkey, which has a similar organization of agricultural products but remains outside the EEC.

Mr Maher (L). — Mr President, I too want to compliment Sir Fred because the work he has done is typically efficient. What he does is usually very efficient. That does not mean, of course, that he is right. I listened yesterday to the summary of his report, and I must take issue with some of the principles that he enunciated — not points of detail but principle.

He talked about the European Community aiming at self-sufficiency in food production. Now I want to ask how, if we are just self-sufficient, we are to help Third-World countries, some of which from time to time, others almost permanently, are short of food and need food to keep people alive? I do not know how that can be done. I do not know how those two things equate. We must have surpluses, if only to have a food aid programme.

My second point of contention with Sir Fred's report is this: he has indicated that the Third World countries' problems in industrial production arise directly and solely from cheap, subsidized exports from the European Community countries. Now I want to take issue with that. For ten years I was leader of the farmers in my country, and during that time I attended many world conferences of farmers, many of them coming from under-developed countries. The question of products from countries or communities like the European Community was always only a minor problem. The main problem was inefficiency within their own countries: political wrong-doing, bad policies, lack of education among their farmers, the inability to utilize their own land. Those are still the main problems, but Sir Fred did not mention them: they, I think, are what we need to emphasize.

The third point is this. I can never understand why the industrialized countries — and Sir Fred represents one of them — are so concerned about the people of the under-developed countries, particularly the effect of the agricultural policy of the European Community on their livelihoods, when in fact the industrialized countries have done nothing to help the under-developed countries to industrialize. Why have they done nothing? First of all they did not do anything when they occupied these countries. When they were colonial powers, they made absolutely certain they would not be allowed to industrialize. Why? Because they did not want to meet with competition from the so-called under-developed countries for their own industrial products. That is why they did not want them to develop. They did not do anything in my country, and we were occupied for 700 years. When we got our freedom, we had to try to build up an industrial base because we had never had one. We had 80% of our people in agriculture, we now have 45%, which is still a large proportion. But why do the industrialized countries not do something about helping to create employment in these under-developed countries through industrialization? There is not a word about that.

Could I also say, Mr President, that there is a fundamental error in Sir Fred's thinking, and that is that he is giving the impression that all of the under-developed countries are outside the European Community. I can say that I come from a relatively under-developed country: 45% of the people are still dependent on agriculture. We are not that different from some of the under-developed countries, and if some of the measures proposed by some of the people here on your right are taken, we shall become even more under-developed and we shall be in the Lomé Convention, I am afraid. I think that should not be ignored.

Could I say to Mr Welsh, who made a specific point, that he should not be deluded. Do you know of the experience of the Americans in taking land out of agriculture? They are taking about 1.9% of their total land out of agriculture. Do you know what their farmers do? They increase production in the rest to compensate for the land that is taken out. That has happened again and again, so do not be deluded by the policy of the Americans in this regard.

Mr Eyraud (S). — (FR) Ladies and gentlemen, I should like to speak in two capacities, first as one of the joint authors of the question for oral answer on American sales of agricultural products to Egypt, which is being taken with the debate, and secondly on behalf of Mr Gérard Fuchs, who had to leave the House this morning.

The vitally important issue of trade in agricultural produce between the EEC and third countries calls for the closest attention from the European institutions. The proposal for a regulation put forward by the Commission to the Council concerned with strengthening the common commercial policy, particularly in the field of self-defence against unfair trade practices, is certainly a step in the right direction by the Commission. We acknowledge this most readily and support this regulation, since it affords an opportunity to put an end to the procrastination which led us to put our question. We should nevertheless like to reiterate the need for the EEC, through each of its institutions, using all the regulatory means at its disposal, through the GATT provisions, to demonstrate firmness and solidarity in the face of American aggression. The grounds for our concern can be demonstrated by three figures. Reading the March 1982 issue of the very official American publication *Foreign Agriculture*, I find the following statistics relating to 1980: EEC deficit on trade in agricultural produce with the Third World: 19 800 m dollars; US surplus on trade in agricultural produce with the Third World as a whole: 23 400 m dollars; EEC deficit on trade in agricultural produce with the USA: 8 200 m dollars. This last deficit is a constant feature and it is rising. I would add that the Community provides the market for 50% of the United States' soya exports and 100% of its maize gluten exports.

Eyraud

I invite all those in this House, in the Commission and in the Council who are preventing the Community from providing itself with the means of securing new markets to contemplate those figures. I refer, *inter alia*, to long-term contracts, an effective credit policy, establishment of a European export agency. I should like to think that when they have digested the implications, there might be a little more solidarity in the Community, which is sorely in need of it.

I would add, speaking on behalf of Mr Gérard Fuchs, that Sir Fred Catherwood's report is not without merit. It brings home some truths which are too often forgotten. It reminds us that, for strategic reasons, all the leading nations have always engaged in some measure of agricultural protectionism; it reminds us that the level of aid to producers in the United States is similar to that in the EEC when expressed in percentages of the gross national product and a great deal higher, although less transparent, in terms of the size of population; it reminds us that the EEC is far and away the largest importer of agricultural produce in the world and that we have serious shortfalls in production.

In my view, however, this report calls for three criticisms. The first is concerned with the manner in which it presents the problem of our cereal surpluses, since it overlooks a major cause, zero-duty imports of substitute products, especially from the United States, and underestimates the value of multiannual supply contracts with developing countries.

My second criticism is concerned with the solution proposed for achieving reductions in certain surpluses. Setting production targets? Why not? But only as long as it is made clear who will be penalized if the targets are exceeded. Would it be the industrial dairy farms, for instance, or would it be the small family holdings?

The report does admittedly propose that aid could be given to small farmers if necessary, but we Socialists do not want to see a society of people dependent on hand-outs. On the contrary, we want to see everyone getting a fair day's pay for a fair day's work.

The subject of our third and final criticism is probably the one on which we are most at odds with the rapporteur. In plain language, what Sir Fred Catherwood is saying to us is this: if we do not want trouble with the Americans over our most crucial industrial exports, we should show flexibility on the agricultural side.

Ladies and gentlemen, I would ask you to consider whether there is really anyone among us who believes that if we give in to the Americans on agriculture, they will be more willing to accept our exports of steel (I have to hand a copy of today's paper, with a headline reading 'Reagan curbs steel imports'), chemicals or other manufactures? In international trade, as in many other fields regrettably, what counts most is the balance of power.

Let us therefore be firm on agricultural trade, and we shall be respected, in industrial trade as well.

Let it not be said that we are spoiling for a trade war with the United States, since nothing could be further from the truth, but we view with even less enthusiasm the prospect of losing such a war before it is even declared.

Mr President, ladies and gentlemen, the French Socialists will therefore be waiting to see the amended motion for a resolution before deciding which way to vote.

IN THE CHAIR : MR FRIEDRICH*Vice-President*

Mr Provan (ED). — Mr President, the common agricultural policy has many facets, and many more people now realize that changes are needed, albeit for many differing reasons. I welcome Sir Fred Catherwood's report, as it highlights most of them as far as external relations are concerned.

Instability in world markets and currencies needs action by the major countries concerned, and we need to trade and develop friends in the world for the benefit of all. I do not believe that we have distorted international markets. We have to stand by our GATT agreements and commitments, but as Mr Jonker said, we must realize that we are not always right on this side of the Atlantic and, of course, sometimes the USA are wrong as well.

To give you a small example: the value of the dollar is mainly to blame, as is pointed out in Sir Fred's report. The example of soya in Rotterdam in the last 10 weeks shows that it has gone up by 11% in dollar terms, but that translated into German marks shows an increase of 18%. I was fortunate enough recently to pay a visit to the US, to the capital in Washington and to the Mid-West cornbelt in Iowa. I met many farmers, and I have a great deal of understanding for the situation they find themselves in. It is very depressing to see bare land, and I am sure that some farmers will face severe psychological problems through doing nothing as a result of the payment-in-kind programme; but we must recognize that the US Administration has made a brave and speedy response to a worsening situation — something that we have not yet faced up to in the European Community.

The PIK — payment-in-kind — programme will cost the Americans this year something equivalent to the total expenditure that we in Europe shall have on the common agricultural policy. That cost is taking 30% of their production acreage for certain commodities out of production. We have done nothing except play around with budgetary measures instead of tackling

Provan

the real physical problem of controlling excess production, and we must realize that the USA may well fire another warning shot across our bows similar to the Egyptian flour deal of recent months. If we believe in free trade and fair competition, we must move towards an alignment of our cereal prices with the USA — not an impossible target over a five-year period, I submit — and thereby reduce our export restitutions, those open-ended commitments to dispose of surpluses on world markets.

On the other hand, since 1971 the US have also expanded their production on a massive scale. Mr Früh has reminded me that I have mentioned this in the House before. They did so by means of easy credit and taking extra land into production.

Research and development on both sides of the Atlantic has now come home to roost, at great budgetary expense and cost to both sides. We must now shift our emphasis from increasing capacity and output to increasing efficiency and productivity, especially in view of the repercussions caused by the energy price shocks, which may not have finished yet. Such research and development would, of course, help the developing countries at the same time, whose rural economies we must assist so that they can develop and consequently afford to trade with us.

Mr Haferkamp, Vice-President of the Commission. — (DE) Mr President, may I begin by complimenting Sir Fred Catherwood sincerely on his report and the way he presented it to Parliament yesterday. He deserved the House to have been full to hear him.

Sir Fred's report is based on the realization, confirmed in many debates, that international trade is vital to the European Community. As we have heard again today, we depend on a flourishing world trade. Exports are our livelihood and we must export to pay for our oil and raw-material imports. It has been rightly said that agricultural products only account for 10 % of our total export volume, industrial goods making up the other 90 %. As Sir Fred and other Members have emphasized, we must take care that mismanagement of the 10 % does not jeopardize the 90 %.

Exports are something of a problem, due in particular to the surpluses produced in the Community. Let us view this against the background of agricultural policy as it was conceived in the Treaties of 1958 and later shaped by Council legislation. At the time the Community was a net importer, and the instruments of agricultural policy were designed to deal with that situation. Today, on the other hand, the Community is a net exporter of many products, and it is hardly surprising that the instruments created to handle the original situation are not necessarily suited to dealing with the opposite case. Speakers in this House and elsewhere have demanded in various connections and with some justification that the system be brought up

to date. The crux of the matter is, I think, that we cannot go on guaranteeing stable prices for open-ended production. That will have to stop. I can add from 16 years' experience that the unanimous decisions taken by the Ministers of Agriculture overruling the Commission's price proposals and fixing higher prices for unlimited quantities are largely to blame for the difficulties associated with agricultural policy and food exports. In view of the present situation and acting on the instructions of the Stuttgart Council, the Commission will present some proposals reflecting this fact.

Emotions are sometimes aroused by our import policy, it being said that we import large amounts of animal feed from the USA and that this cannot continue. We have heard in the debate that we wouldn't need to import so much feed if our own were priced more competitively. Our feedstuffs are far more expensive than the imported ones, it shouldn't be forgotten! It is cheaper to import them than to grow them ourselves. It is also apparent that these imported feedstuffs have encouraged an almost industrial type of farming. We shall have to decide whether, in revising the CAP, we ought not to make a distinction between farming on an industrial scale and small farmers who still till their own soil. This is probably an important point which may bring us closer to solving the problem of surpluses.

As for imports of soya, corn gluten, beef, etc., the Community consolidated its low to non-existent tariffs in GATT talks many years ago. We were not giving anything away, as Mr Jonker has just mentioned; these concessions were part of a deal which included some benefits for us too. Now, GATT contains an article providing for negotiations on deconsolidation, but the same article also states that the other party must be offered compensation in return. None of the people demanding that we negotiate on deconsolidation for corn gluten, soya and so forth have so far suggested where the compensation we are obliged to pay under GATT is going to come from.

Mr Gautier (S). — (DE) It was the Commission that proposed negotiating on corn gluten feed in accordance with Article 28.

Mr Haferkamp, Vice-President of the Commission. — (DE) Of course we have proposed discussing the subject with the Americans, but no suggestions for compensation have been forthcoming. The matter has generally been presented here as though we should reduce these imports or do away with them altogether, but we must realize that this is only possible provided we pay compensation. Tapioca has been mentioned in this connection, but that was a different case; Thailand was not a member of GATT when the tapioca agreement was signed.

Haferkamp

I would like to comment specifically on the problems concerning the USA. We have avoided starting any disputes about systems or ideologies in our recent talks. It is quite understandable that the US aids its farmers, even if that aid takes a different form. We do not think a dispute would get us anywhere, and have therefore examined the real problems affecting the world market instead, concentrating on cereals and flour, poultry and milk products. Both sides are anxious to tackle these practical problems. The situation can be improved if the countries concerned collaborate in respect of all the major products, as Mr Gautier remarked yesterday. In the case of milk products, that means the USA, New Zealand and the Community; in the case of poultry, the USA, the Community and Brazil; and in the case of cereals, the Community, the USA, Canada, Argentina and Australia. The kind of collaboration we have in mind is not pricefixing but up-to-date information on market trends, the anticipated development of supply and demand and of warehousing and production. I think this is a key point.

We have been acting principally on the assumption that it is in the interests of producers to gear their export policies to world markets, since no one is served by a disruption of international trade.

I would like to emphasize that the USA and the Community are giving substantial backing to the work of GATT's agricultural committee. Our object is to arrive at a clear, unambiguous and common interpretation of the GATT rules on subsidies and other aid designed to promote exports.

According to the agenda this debate includes some oral questions on the American-Egyptian deal. May I refer to the Commission's statements made to this House on 10 March and the answers given during Question Time on 13 April and 18 May. There has been no change in the position since then; the Egyptian wheat deal has remained an isolated case.

Mr Gautier said yesterday that foreign trade policy is a reflection of internal agricultural policy, and I fully agree with that statement. This is the crux of the matter. Once we have solved our internal problems, we shall be able to deal with the problems of international agricultural trade, not least to the benefit of our farmers.

(Applause)

President. — The debate is closed. The vote will take place at the next voting-time.

4. *European Schools* (contd)

President. — The next item is a continuation of the debate on the report by Mr Papapietro (Doc. 1-390/83).¹

¹ See the debates of 4 July 1983.

Mr Petronio (NI). — *(IT)* Mr President, I am in complete agreement with the rapporteur in his valuable report on the European Schools and also in agreement with my colleagues who, it seems to me, have almost unanimously declared their agreement with him. We must move on from this first phase of European Schools intended for the children of European officials to a more advanced and bolder phase of European Schools open to everyone, so that that first testing-ground becomes a real workshop producing young Europeans in multilingual and multinational schools which must, however, be helped financially. Some problems must be resolved: numbers in classes must be lowered from 32 to 25, and the criteria for teaching and teachers must be revised, without, however, making the existing schools too big; indeed, in our opinion many other well-organized schools should be set up.

Certainly, budgetary and financial provision will be needed. It is the old argument brought up before the Community and the Governments of the Member States, who cannot remain eternally deaf to the new requests and the new cultural, scientific and economic needs which this Parliament transmits.

I declare, therefore, that we shall vote in favour, but I want to pause for a moment on two paragraphs in respect of which Mr Pedini has tabled an amendment. I will support Mr Pedini's amendment, perhaps taking it a little further as it seems to me that there is a discrepancy between Articles 6 and 7. Article 6 is in favour of the social sciences instead of history, while Article 7 gives a small place back to dear old history.

Now, we must be careful about what we mean by history, because if we look just for ideas and values we risk forgetting about human beings, who are those who made history alongside the ruling classes and ideas. Otherwise we risk producing an 'aseptic' version of history, one that does away with time, which is the stuff of history, and so does away with itself.

It is not possible to imagine a history just of ideas, warlike or pacifist, religious or economic. Involved in it are armies, wars, victories and defeats, flags in the mud and flags in the wind, conquerors and conquered! History which is just about the conquered is false history, and history without wars, Robespierre and Napoleon, without armies, is aseptic history.

It is a good thing to teach history of this kind. Every young person will then have time for the rest of his or her life to think again about the ideas, to re-read it and correct opinions and so to find room for all the men and ideas which formed part of it. History without troops on the battlefield doesn't please either the lay or progressive forces, either Marxists or Liberals, Catholics or Protestants, all of whom took part in it and became part of it. History without these things has no bones or muscle; it is history *in vitro*, false, and may be contained in books but bears no relationship to reality.

Petronio

It is quite true that, according to Cicero, history is the testament of the times, the light of truth, the life of the memory, the master of life and the messenger of antiquity. But some others, like Goethe, said that writing history is one way of getting rid of the past. Yet other quite important people said, like Dumas : who reads history except for historians when they want to correct their proofs ?

These are, of course, contrasting, and also ironic, opinions. However that may be, it is, in our view, important that history should continue to be studied, even if it is partial and factious, because it is said that the sword of justice sometimes strikes the innocent, but the sword of history always strikes the conquered.

It is a good thing for history to continue to be taught, without fear and with its national roots. History is the history of Europe, and for two thousand years Europe has been the Europe of Nations, so it is right that it should be taught. Young people will then have the time, in the light of their own lives and intellectual interests, to look again at the definitions, and to re-read and correct what they have read, adapting it to their own ideas and making it once more the history of Europe.

Mrs Van Hemeldonck (S). — (NL) Mr President, ladies and gentlemen, this debate has revealed that it is not only the Socialist Group that is not very happy with the recent situation at the European Schools. They seem to be departing more and more from the original idea that underlay their establishment. There was once a European, democratic and pedagogical ideal of a pluralistic, plurinational and pluricultural education for children from different Member States and different cultures. But in practice all that is left of this original idea — of learning other languages and about other cultures — are very strict admission requirements, and for children who suddenly leave their countries without knowing any language other than their own, these admission requirements are far too stringent. In many cases, little or no provision is made for special tuition to enable them to catch up with the others. At the European School in Brussels there have been cases of children of officials being refused admission because they did not know the language of the host country well enough. The parents then have to depend on private schools, which often imposes an intolerable financial burden either on the parents or on the Community's social services.

Other European Schools — the one in Mol being an example — do not allow for the continuation of teaching in one or other language, not in all courses of study at least. Parents are then again forced to send their children either to expensive private schools or to boarding schools in their country of origin or to enrol them for private tuition outside the school.

However, the most serious criticism we have to make, Mr President, is that the European Schools are

becoming increasingly élitist. Children with specific difficulties, such as dyslexia, speech difficulties, word-blindness and number-blindness, which — given expert counselling from psychologists and suitable methods — can be effectively overcome in a normal and efficient school system, are simply not wanted in the European Schools. There is nowhere to put them. Nor have any facilities been provided for young people who take drugs. I do not want to overdramatize this aspect, but we must face facts. Drugs are being used — perhaps sporadically but certainly symptomatically — in the European Schools, including the one in Ukkel. These young people need understanding and advice and help to solve the problems that led to their taking drugs. Showing them the door will certainly not solve any problems either for the young people themselves or for the school, if the real causes are not tackled. I should also like to express my indignation at the ejection or rejection of children from less privileged social and professional backgrounds. The number of children of lower-grade officials attending the European Schools falls every year. On the other hand, they are accepting more and more children of people who are not officials — not the children of migrant workers, of course, but certainly the children of the *élite* of the host country and the Member States. The goal of a school, Mr President, and this includes the European Schools, should be to help every child to achieve optimal academic and personal development. We Socialists measure the success of a school not only by the percentage of pupils who pass the baccalaureate examination. What is important for us is how many children are given the opportunity to develop to the full and to acquire as much knowledge, skill and culture as they can. We hope that in the future the emphasis will be placed on these objectives and that the European Schools will come to reflect the society we want, a place where the underprivileged are given fresh opportunities and where the injustices of life are compensated for. We shall therefore vote for the Papapietro resolution to express our support for the proposal that a thorough study should be made to see how far the European Schools are still pursuing their original goal.

Mr Estgen (PPE). — (FR) Mr President, ladies and gentlemen, I should first of all like to congratulate Mr Papapietro on the job that he has done, although I cannot, as a native of the country concerned, forgive him for describing German as the official language of Luxembourg. Allow me to inform you, ladies and gentlemen, that the official language of Luxembourg is *Letzeburgesch*, of which German is a somewhat remote derivative.

(Applause)

The administrative language in Luxembourg is French. What is true, though, is that the working

Estgen

language is German in most branches of primary, vocational and technical secondary education. In the lycées, on the other hand, it is French.

That having been said, I repeat that Mr Papapietro has produced a very good report containing a detailed analysis of the situation in the European Schools, which can genuinely be described today, 30 years after the foundation of the first European School in Luxembourg, as an experiment of unique and exemplary value to the world and of the greatest interest, not only in educational, cultural and sociological terms but also from the political viewpoint.

Let it be said straight away: the European Schools are a very fine achievement of the Community effort in the educational field. The system is working very well. An even standard has been maintained in all the various languages, and the examination results are not at all bad. I therefore cannot accept this wording on the subject of the pedagogical shortcomings found by the inspectors, which is too sweeping in my opinion.

It would therefore be highly desirable for these educational and sociological test-beds to broaden their rôle, opening their doors to much larger numbers of pupils, not just a privileged group of European officials' children.

I am not against élitism in education, but it has to be justified entirely by the ability and performance of the pupils, not their social background. The European Schools will realize their full potential as cultural and social test-beds only if places are made available to migrant workers' children, for instance, and not just a few daughters of ambassadors or sons of bankers, in addition to the children of European officials.

Migrant workers are European workers in the full sense of the term, and a European School should not exclude them from their educational facilities. Every European School headmaster has two besetting problems: first, because of the shortage of places, he has to turn away between 100 and 200 applicants every year; secondly, at least about 25% of his charges are not up to the standard of the Baccalaureate and therefore have to leave before their time, because the European Schools' curricula are geared exclusively to the Baccalaureate. They are completely lacking in facilities for technical and vocational training. Of course, laboratory equipment for vocational training is very expensive, but arrangements should be made for the European Schools to make use of workshops and laboratories in local technical and vocational schools in the Member States concerned, with the European School headmasters retaining authority and responsibility. All the good recommendations and initiatives contained in the report are entirely justified from both the educational and social points of view, but the high costs entailed will probably mean that they cannot be implemented.

I should like to end on a note which is more serious, but perhaps nevertheless provoking or even irritating: 90% of the European Schools' budget is absorbed by teachers' salaries. I have been told that a European School headmaster is paid twice or even three times as much as the head of a school in one of our Member States and that the salaries of the teachers, which vary over a wide range, can be as much as three, four or even seven times as much as those of their colleagues working in the national educational systems of our Member States — Italy, for instance. Bearing in mind that these are difficult economic times and that everyone is being asked to make sacrifices, including the migrant community who are European workers, would it be too much to ask the teachers in the European Schools to make a gesture of self-denial by accepting a reduction in their salaries so that there could be job-sharing with other teachers and the European Schools could take more pupils?

Mr Burke, Member of the Commission. — Mr President, I think this has been a very interesting and useful debate, which I am personally delighted to have attended, not only as one who because of his functions as Commissioner for Personnel and Administration has some link with the system, but also as a former Minister of Education who in the 1970s had some connection with these schools in terms of overseeing their progress at that time.

Now, in October, as has been recalled by Mr Estgen, the European Schools will have seen 30 years of existence. As the debate has clearly shown, the time has now come to take stock of the situation, particularly since it is nearly eight years since the European Parliament last had a discussion in plenary sitting about them.

As Members will recall, the European Schools were given official status in 1957 under an agreement between the governments of the Member States. It should be emphasized, and this has been noted by Mr Papapietro, the rapporteur, and others, that the schools, rather than constituting a Community institution, are in fact structured as an intergovernmental body, the principal decision-making organ being the Board of Governors. This Board of Governors — just to recall the facts — is made up of 11 voting members, one representative from each Member State and one from the Commission. Given such a structure, with the rôle of the Commission being extremely limited, it is essential that Parliament and Commission work closely together if progress is to be made.

Now it must be acknowledged that the governments of the Member States have made a major effort to provide both outstanding school premises and a highly competent and dedicated teaching staff. I think it is generally acknowledged that the courses offered are of a high standard.

Burke

At the secondary level they are of the highly structured type, common on the continent of Europe and to be found in the French *lycée* and the German *Gymnasium*, covering a set range of academic subjects with examinations determining the pupils' passage to higher classes and culminating in the European Baccalaureate, where the teaching, of course, is to a high degree bilingual. This approach, which has prevailed since the beginning and which is an original feature of the European Schools, undoubtedly offers major advantages, particularly for gifted pupils. However, I must say that I share some of the worries expressed by Members. Not only do I do so as a person who receives complaints in his capacity as Commissioner for Personnel and Administration but also, as I have already mentioned, as having had a professional interest in this before. I receive all kinds of representations from officials who have been obliged to take their children out of a European School or, in some cases, have been unable to send them to one. These, as has been highlighted by the debate, are children for whom the Baccalaureate's curriculum is not suited or children with no talent for languages or who were unable to learn a second language in their early years or who wish to pursue technical or vocational studies and so on.

Now for such parents whose work obliges them to live in a country with a language other than their own, the problems posed by being unable to send their children to a European School are enormous. The national education system of the host country is unavailable to them owing to the language barrier; private schools are often prohibitively expensive, especially for families with more than one child. Often, therefore, the only options open seem to be either to send the child to a boarding school in the home country — I listened very carefully to the points made about this; in countries such as those on the off-shore of the continent of Europe boarding schools can be quite expensive — or else for one parent to return with the children to their home country, without the working parent, in order to allow the children to attend schools in their own national educational system. That a young family should be called upon to decide between a normal united family life and the educational well-being of their children is to me an undesirable situation.

No really satisfactory solution has been found for this problem, which has been pending for a long time. Therefore I believe it is essential to give thought in the very immediate future to the question whether curricula in use in other Community countries might not provide greater flexibility and so cater for the needs of an even greater number of children. Those of us who have been professionally engaged in this whole field have lived, through the 1960s and 1970s, with the widening of curricula to a new Community-based system — a new comprehensive system.

I would welcome discussion — without any preconceived ideas — on this subject, the ultimate object being to ensure that no more families are faced with the choice referred to earlier. Further to alleviate the pressure on parents and children, increased efforts should be made to cater for midstream and short-term pupils. These young people's adaptation problems are often not sufficiently appreciated. The Commission is already exploring other avenues for coping with the problem. An item is included in the 1984 preliminary draft budget for parents with children having to attend schools other than the European Schools. Given that the Commission provides a substantial subsidy for the European Schools to provide an education for Community officials' children free of charge, the Commission could equally well pay subsidies for children who, for imperative educational reasons, are enrolled in other schools charging fairly high fees, the fees paid by the parents being reduced accordingly. This measure should not, however, influence discussion on how to make the European Schools themselves more flexible, as I mentioned earlier.

Now we come to the question of the extent to which the schools should be opened to pupils who are not the children of Community staff. Under Article 1 of the Intergovernmental Protocol of 13 April 1962, the European Schools were set up for the education and instruction together of children of the staff of the European Communities. Hitherto the Board of Governors has interpreted this provision in the most restrictive sense, stipulating that the children of persons other than Community officials may be admitted, provided this does not make it necessary to split a class. The Commission is in favour of lifting the restrictions and gradually admitting children presently regarded as not entitled to attend the European Schools to fill the places available in such schools. Indeed, this procedure is vital if the decline in the school population is to be offset in schools such as those at Mol, Petten or Varese.

The schools' inspectors have also highlighted other areas where improvements could be made, with which the Commission is in full agreement. For example, excessively large classes in the working language, absence of remedial teaching and shortage of teaching materials are items we have noticed. Indeed, shortage of time prevents me from discussing these and many other topics in detail, as I would very much like to do. However, may I make some specific comments on the draft resolution before I finish?

I support the comment in paragraph 2 of the draft resolution to the effect that it is necessary to carry out a 'thorough examination of the legal, administrative and organizational structures of the European School system, together with a similar analysis of its educational objectives and achievements'.

Burke

Here I refer particularly to the points made by Mrs Buchan in her contribution. For a proper examination to be made, however, the Commission would undoubtedly have to call on a group of university specialists in teaching methods and education. In view of the urgency expressed in this debate, I will do everything I can to speed up the setting up of such a survey. I would do my very best to make sure that the survey could be presented as soon as I can — perhaps, to give ourselves a reasonable time to do it, by December 1984.

With respect to paragraph 10, the Board of Governors agreed, at the request of the Commission representative in May 1983, to take a decision next December to reinforce inspection in the European Schools. With reference to paragraph 16, urging recognition of pedagogical shortcomings, some progress was achieved last May when it was agreed that classes in the second language should be split when 28 pupils are present in a class. It was agreed also that science lessons be given in the mother tongue when the conditions required for setting up classes in the first three years of the secondary section are met.

The Commission continues to emphasize the need to extend remedial teaching and sincerely hopes that next December the Board of Governors will reach a decision on this question, as also on the appointment of additional librarians and the acquisition of essential teaching materials.

Finally, Mr President, one small matter of detail. I draw the attention of Members to paragraph 33 of the motion for a resolution, which requests that it be forwarded to the Commission, the Council and governments of the Member States. As the Board of Governors is the principal decision-making body, it might be desirable that the resolution be addressed to it also. I understand that this was done with your report of 1975 — the Walkhoff report. I think, therefore, that for the sake of continuity we should perhaps also do it now.

May I say that I have had clear and adequate notes taken of all the contributions made in the course of this debate. Allowing for the fact that, as the Commission representative here today, I have only got the powers which I have already indicated, we will certainly do everything we can, with the support of Parliament, to bring about such desirable changes in the European Schools as have been mentioned here.

I think the House should be proud of this debate and I want to thank Mr Papapietro and all the speakers for the very detailed and fine report, which personally I found most enlightening and interesting. Let me wish and hope that this will have the desired result.

President. — The debate is closed. The vote will take place at the next voting-time.

(The sitting was suspended at 12.50 p.m. and resumed at 3 p.m.)

IN THE CHAIR : MR KLEPSCH*Vice-President**5. Topical and urgent debate: Objections*

President. — Pursuant to Rule 48 (2), second subparagraph, I have received the following objections, justified in writing, to the list of subjects to be debated at the next topical and urgent debate.

(The President read out the list of objections)¹

The vote will be taken without debate.

Mr Israël (DEP). — *(FR)* Mr President, I merely wanted to congratulate you, because I think this is the first time that you have stated grounds when enumerating objections to items for inclusion in the topical and urgent debate. I accordingly withdraw my written question to the Bureau asking you to do precisely this.

President. — I am glad, Mr Israël, that we have been able to conform to your wish.

Sir Peter Vanneck (ED). — Just a small point of order, Mr President, one that I made to your predecessor yesterday afternoon. May I suggest that when the occupant of the Chair reads out what has been written for him to read out, he does so a little more slowly so that translation can take effect. In fact, my request for urgent debate was translated; my name was garbled. I do not object to that, but I do think that the rapidity with which the President on the dais gets through these written items at the beginning of the business can, particularly in certain less well understood languages, cause confusion.

President. — The procedure I intend to follow is in any case that of explaining briefly the subject of each vote, so that the House is in no doubt as to what it is voting on.²

6. Question Time

President. — The next item is the second part of Question Time (Doc. 1-490/83).

We shall now take the questions to the Commission.

Question No 38, by Mrs Scamaroni (H-604/82):

Will the globalization of aid to the Third World referred to in the memorandum simply involve the regrouping of various development measures or will it involve changes in the terms of reference of the Commission and Parliament linked with new arrangements for negotiations with the developing countries?

¹ See the Minutes.

² For the voting on the objections and for the statement by the President, see the Minutes.

Mrs Scamaroni (DEP). — (FR) I am satisfied with the explanations that Mr Commissioner Pisani has given us and thank him for them.

Mr Pisani, Member of the Commission. — (FR) The concept of globalization has been used with two meanings in the Commission memorandum. First, the Commission wished to give the Parliament and the Council an overall view of the various actions taken by the Community in this field. This approach will be discussed tomorrow, during the debate to be held on the report by Mr Jackson. The question raised here is concerned much more with the second aspect of the concept of globalization, which is of a more budgetary nature. What we are in fact saying is that, in line with its position, the Commission intends to propose that the EDF (European Development Fund), which is currently financed by State contributions and administered separately, be incorporated into the budget so that it can be brought within the scope of the financial system of the European Economic Community.

I should like to make clear, to take up a particular aspect of the question asked, that this will not have the slightest effect on the way in which agreements are negotiated; there is no link to be made between the two aspects. Similarly, there is no possibility that budgetary globalization will lead to an undifferentiated approach to the vital matters of the amounts and terms of aid, which will be covered by specific documents relating to each agreement.

President. — Question No 39, by Mr Lalor (H-677/82):

Can the Commission explain why, despite the underlying trend of falling inflation in the Community, the rising unemployment rate is expected to continue, and what new action does it propose to tackle this problem?

Mr Richard, Member of the Commission. — The question implies that a reduction in the rate of inflation, which has been observed in the Community, should have led us to expect either a fall in the level of unemployment or at least a slowing down in the rate of increase. In fact, the relation between inflation and unemployment is not so clear and not so direct. A lasting reduction of inflation is considered by the Commission to be one of the conditions for an improvement in employment prospects in the medium term.

The Commission has, however, constantly stressed that a lowering of interest-rates, a higher degree of exchange stability and substantial efforts with regard to structural adjustment and improving the institutional mechanisms for wage and price formation are required if the Community is to strengthen its growth performance.

In view of the internal and external uncertainties, the Commission takes the view that the employment situa-

tion will remain a major concern for the Community over the coming years, that specific measures to combat unemployment are necessary and that these entail a mobilization of economic, industrial and social policies across both the private and the public sectors of activity.

On the second half of the honourable Member's question, proposals for Community action or for the formulation of common principles for national initiatives have been put forward in communications concerning youth unemployment and investment incentives, as well as in the memorandum on the adaptation of working-time and in proposals for directives on part-time work. Resistance to protectionist tendencies in world trade and the successful exploitation of the challenge of new technologies will also be important factors in the Community's fight against unemployment by ensuring the competitiveness of the Community in world markets.

The social partners have an important rôle in relation to many aspects of these policies. They have, in our view, a particular part to play on the question of the reduction and reorganization of working-time, where the Commission will be producing Community guidelines aimed at ensuring that the full benefits are achieved in terms of creating additional jobs.

Mr President, perhaps I should apologize to the House for the length of that answer, but it did seem to me that the question raised fairly fundamental issues and it was therefore right that I replied at some length.

President. — That I understood, Mr Commissioner. I shall try to ensure that answers remain brief, but in this case you are quite right, it was impossible to do anything else.

Mr Lalor (DEP). — Far from complaining, I wish to thank the Commissioner for his comprehensive reply. In connection with his statement that proposals for Community action or for the formulation of common principles for national initiatives have been put forward, would he say, bearing in mind the Irish unemployment rate of 15%, what proposals the Irish Government has made in regard to this overall question? Furthermore, what action is being taken on the views of the European Parliament itself as stated during our recent debates on unemployment, in particular with regard to our group's call for a Community venture or risk capital policy?

Mr Richard. — I can answer some part of that supplementary — I think there were about four points in it, if I may say so. One was the proposal of the Irish Government and indeed their attitude towards the propositions we have put forward. Well, naturally some of those propositions have gone to the Council of Ministers; some are en route; some are still in the process of gestation within the Commission. On those

Richard

that have gone to the Council of Ministers, I think I can only say that the Irish Government — successive Irish Governments, if I may say so — have made a useful, helpful and full contribution to the discussions that have taken place in the Council.

As far as the views of the European Parliament were concerned, I think I expressed the Commission's attitude to that debate when I wound up the debate from the Commission's point of view at the special part-session in Brussels. As far as the specific proposals on investment are concerned, the Commission did produce a memorandum on the encouragement of productive investment designed to create jobs in the course of 1982. I have nothing today to add further to the document that we then produced. I noted carefully, what was said by the Parliament in this respect and indeed what was said by the honourable gentleman. I can only promise him that, as with all his utterances and with all the utterances of the Parliament, the Commission will, of course, pay them the utmost attention that they so clearly deserve.

Mr Seligman (ED). — The Commissioner said in his report that he is considering reduced working hours and, I suppose, job-sharing. Does he not agree that this would make us even less competitive than we are now and that unless we can persuade our competitors outside the Community to do the same thing at the same time we shall in fact, become less competitive and, therefore, have worse unemployment?

Mr Richard. — I have to say to the honourable gentleman, no, I do not agree with that and as far as job-splitting is concerned, I do not think it is the view of Her Majesty's Government of the United Kingdom. I think the honourable gentleman is really not aware of the amount of work that has already gone on in this respect and the extent to which some element of reorganization or reduction of working-time is into being incorporated into many agreements negotiated by the social partners in European industry. In Holland, for example, a large percentage now of the workforce is already covered by contracts in which worksharing is one of the elements. The same is perhaps not quite so true in other countries. But in France and Belgium there are trends in this direction.

If I had to sum it up in a few words, I would say that the trend is in the direction of introducing the reorganization and reduction of working time. I think, Mr President, it is for us, both the Parliament and the Commission, to see how that can best be channelled.

Mr Galland (L). — (FR) I should like to know whether the Commissioner thinks there is the slightest chance that the French example which he has just mentioned — the thirty-nine hour week and five weeks' holiday with pay — will soon be applied in the Community.

Mr Richard. — I do not think it is for me either to comment upon the individual policies of one Member State in this respect or to anticipate the possible proposals that we will be making. I can only say that the French experiment and example is one which we are studying with great interest indeed.

As to how far it is applicable throughout the Community, that is one of the issues which clearly the Commission is now considering.

(Miss Hooper asked for the floor)

President. — Miss Hooper, I know you wish to speak, but I cannot give you the floor. The practice we follow is that of giving the floor to members of any one group for only one supplementary question; otherwise we might as well have a topical debate.

Question No 40, by Mr Hopper (H-82/83)¹:

Will the Commission inform the House what steps it has taken to investigate the subsidies granted by the British Airports Authority to Stansted Airport, in accordance with the undertaking given by Mr Contogeorgis to Parliament during the December part-session?

Mr Contogeorgis, Member of the Commission. — (GR) When the subject of Stansted Airport was debated on 14 December 1982, I promised that the Commission would request information from the British Government concerning the granting of subsidies or the way in which airport dues are administered.

The Commission has recently received a detailed reply from the British Government and the competent authorities, from which the Commission gathers that no government support is granted to Stansted Airport in the sense of Article 92 of the Treaty of Rome. Of course, as I also stated during the previous debate, that airport receives no support from the Community. The document from the Department of Trade at my disposal also gives a great deal of useful information concerning the pricing policy of the British Airport Authority and the management of the international airport at Manchester. I am sending copies of this information to the honourable Member who put the question and also to Mr Moorhouse, who raised the same question, so that they may be fully informed.

Mrs Kellett-Bowman (ED). — Point of order, Mr President! May I just, very respectfully, point out that the ruling Lady Elles gave was that the author of the question was disregarded when considering the total number of supplementary questions. Therefore, it would not in any way infringe Lady Elles's ruling if you were to call Miss Hooper.

¹ Former oral question without debate (0-175/82), converted into a question for Question Time.

President. — Mrs Kellett-Bowman, I am obliged by the Rules of Procedure to ensure a certain degree of order during Question Time and to see that as many questions as possible receive an answer. We have therefore agreed not to allow disputes to arise on one particular point between the Commission and Members from one particular country, and this is the practice I am following.

Mr Hopper (ED). — Is the Commission aware that scheduled services exist between Stansted on the one hand and Amsterdam, Rotterdam and other continental cities on the other, and that these services will increase in frequency and number as Stansted expands? Is the Commission also aware that there is considerable concern in Belgium and Holland and other continental Member States about subsidies to Stansted airport, since Stansted will compete with Dutch, Belgian and French airports very directly for inter-continental, low cost traffic?

President. — Mr Hopper, that came very near to what I would ask you not to do — that is to say, to make comments instead of putting questions. However, I think Mr Contogeorgis has got the point.

Mr Contogeorgis. — (*GR*) As I have already mentioned, and as emerges from a document of the British Airport Authority in my possession, Stansted Airport receives no subsidies from the British Government. There has not been, nor is there now, any support from the Community. As for the rest, the development of Stansted Airport and other neighbouring airports are the concern of the British Government, and not of the Commission.

From figures that I have at my disposal it emerges that 26 400 000 passengers passed through Heathrow Airport in 1982, while only 300 000 passed through Stansted. The prevailing opinion is that the increased traffic through Stansted is at the cost of Heathrow or Gatwick, in the London area, and not of other airports.

Mr Hopper (ED). — Mr President, your comment on my question was totally erroneous. I raised a totally new question, and the point which concerns myself and my colleagues is that huge subsidies are going to Stansted and that in many cases landing fees at Stansted are one-hundredth part of landing fees at Heathrow.

President. — We cannot discuss this at Question Time.

Mr Key (S). — I would like the Commissioner to comment on the point which has just been raised. Does the Commission not agree that the subsidization of landing charges at Stansted Airport by the British Airports Authority frustrates the objectives of the Community's regional development policy in respect of grants which have been given to regional airports?

Would this not make it less likely for the Commission to make grants to regional airports in future? I am thinking here of Manchester, Leeds, Bradford and the East Midlands.

Mr Contogeorgis. — (*GR*) As I said, there is no evidence that the Government of Great Britain provides any support for Stansted Airport, nor does the Community play any part. The Community, *via* the Regional Fund, has participated in support for peripheral airports, always providing that the national government has granted governmental support for those airports. Stansted Airport is not one of them.

Mr Lalor (DEP). — Would the Commissioner, in the light of his reply, not agree that if we do have Community subsidization or assistance through the Regional Fund or otherwise, then any aid or assistance aimed at developing Manchester rather than Stansted would be regionally far more advantageous?

Mr Contogeorgis. — (*GR*) This concern is premature, because, as I have already said, there is no indication that the British Government supports Stansted Airport, and consequently there is no support, nor is there likely to be any, from the Community.

Mr Moorhouse (ED). — My question concerns a somewhat different aspect of this general subject, insofar as I have been appointed rapporteur on the subject of landing charges. May I therefore ask if the Commission proposes to investigate the subsidies granted by authorities in other Member States of the Community? I have in mind in particular the Greek authorities, who apparently allow Olympic Airways to land and take off at Athens Airport without paying any landing charge whatsoever, while foreign airlines operating in and out of Athens have to pay the statutory landing charges fixed for that airport. May I have the comments of the Commissioner on the general question and on the particular?

Mr Contogeorgis. — (*GR*) As I have said, from the document from the Department of Trade that I have at my disposal, it emerges that there are no subsidies of dues at British airports and that the dues are defined in terms of commercial criteria.

Concerning the matter of Olympic Airways raised by Mr Moorhouse, the Commission has up to now received no accusation or indication that there is any such subsidy of Olympic Airways by the Greek Government. Should such an accusation be made, the Commission would investigate it to ascertain whether in fact there is any contravention of Article 92 of the Treaty of Rome.

President. — Question No 41, by Mr Moreland (H-55/83):

Could the Commission give an undertaking that it will use its own purchasing, and encourage Member States purchasing procedures, to streng-

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then the competitive capability of the truly European information technology and industry in the short term, as well as developing long-term initiatives such as the Esprit programmes?

Mr Davignon, Vice-President of the Commission.— (FR) There are two aspects to Mr Moreland's question. The first is concerned with the Member States' procedures, and there we enter the difficult area of harmonization and opening-up of public contracts, where, in the Commission's view, progress is being made too slowly. Public contracts, in the case of information technology, are governed by the directive approved in 1977, but the practical arrangements are still being discussed in the Council working-party and we are not making much progress.

In the case of its own purchases, the Commission ensures that its contracts are awarded on the basis of the specifications and standards that it thinks it essential to promote so that the industry can have a say in the definition of these standards. That is how things are done. Mr Moreland's question reflects a concern to make it more likely or certain that those who obtain these contracts are 'truly European'. There is no technical definition of these two words, and what the Commission is trying to do, rather than guarantee market shares to companies whose characteristics are difficult to define, is to develop a policy — of which Esprit is an example — in which we can ensure that our companies achieve a level of international competitiveness, so that the problem of protection does not arise.

Mr Moreland (ED). — While I entirely agree with the Commissioner that no issue of protection should arise here, is he not concerned that there may be a lack of a sense of urgency on the part of the Council, on the part of the Member States, as regards the continuing flow of equipment from the Far East and the United States and the fact that many of our companies are still having difficulty in surviving that? Esprit may be fine — indeed, I would congratulate the Commissioner very warmly on the success so far of that programme for the long term — but there is still the immediate problem which Member governments must grasp hold of.

Mr Davignon. — (FR) I agree with the honourable Member in thinking that there is a lack of appreciation, on the part of governments, of the urgency of this problem, given that the statistics which we have just made public show a constant decline in the market shares of European companies in the information technology field. This is the result of the continuing 'compartmentalization' of the Community market and the failure to set clearly-defined targets. That is the crux of the problem, and there is an urgent need to tackle this first difficulty without waiting for the results of longer-term programmes.

The problem at this stage is attributable as much to the lack of a Community policy as to the success of

our competitors. Our competitors are making better use of the Community market, and it is our fault if we do not manage to do better. I believe that the question we have to ask ourselves is what we should be doing urgently to maintain our capacity development, and this will undoubtedly be done of the most important issues in the debate on action to promote recovery by the Community in the framework of what was decided in Stuttgart.

That is the first question. Then we have to create the conditions for acting on the answer arrived at. That is the second question, and in dealing with it, it will be necessary to take account of the specific points raised by Mr Moreland.

Mr Herman (PPE). — (FR) The directive on opening up public contracts, particularly in regard to the telecommunications sector, has been adopted but has not yet been applied, because the practicalities are still being discussed in a working-party. Can we know what are the objections being made in this working-party which have held up this measure for so long, at such cost to the development of Europe's telecommunications and information technology industries?

Mr Davignon. — (FR) I do not think it is necessary to go into the technical details, and this is not what Mr Hermann is asking. Mr Herman asks what is behind the technical objections. What is behind the technical objections is the fact that even today a number of countries are not yet convinced that their domestic markets are not big enough for the development of their industries. This is the old question of captive markets, to which Mr Moreland was referring a moment ago. The nub of the problem is that nowadays, although European technology is good and its competitiveness excellent, it is still unable to fund its development on the scale necessary because its market is too small. To quote one example, it now costs between 800 million and 1 200 million dollars to develop a digital switch. No single State is in a position to develop its telecommunications network to an extent which would allow such industrial development costs to be recovered. The economic problem is clear: if our America and Japanese competitors are earning money, if their companies are thriving and therefore contributing to the growth of their economies while at the same time we, to avoid losing our competitiveness, are having to subsidize our companies in order to achieve the same result, it is abundantly clear what the effects will be in terms of economic development. Their technology will create greater wealth in their countries, while we shall have to resort to the public purse in order to keep our technology competitive and the gap in economic performance will grow ever wider. It is therefore a matter of policy and will. The technical issues are providing governments with a screen to hide behind. They disguise the real motives.

Mr Enright (S). — In that case, what steps has the Commission taken to ensure that large national firms, instead of linking with Japanese firms, as has certainly happened in the computer industry, as is happening in the motor-car industry, link with each other instead of going outside the Community? What plans has the Commission to prevent this happening, thus selling jobs down the river?

Mr Davignon. — (FR) The question here is a very simple one, since the Commission has put a set of proposals on the table, most of which have the industry's support. It is a question of whether or not we are prepared to change our rules of conduct. If a company knows that it cannot develop a product for the world market because its domestic market is not big enough for it to be able to recover the development costs, very often the option available to it is to form an alliance with a Japanese or American company — that is to say, it has the choice between joining forces with someone else or going out of business. Companies in such a position should be offered a real choice. This is what we are offering them, and our programmes in support of research now require European companies to submit programmes in which they have partners from other Community countries. That is all that we are doing to stimulate change. But if the Member States are not prepared to change their rules of conduct, all the measures that we propose will come to nothing. It is essential in my opinion to view this problem in terms of the political dimension referred to by the three honourable Members who have just spoken, with whom the Commission is entirely in agreement.

President. — As the authors are not present, Questions Nos 42 and 43 will be answered in writing¹.

Question No 44, by Mr Enright (H-138/83):

Is the Commission aware that EEC regulations concerning the sale and control of seeds are totally inappropriate in respect of the different climatic conditions; discriminate in favour of large firms and against small specialist firms and smallholders; prohibit, for no good reason whatsoever, the growing of successful varieties of garden vegetables by individual households in Leeds; have failed to consider the effects of these regulations on UK vegetable-growers, professional or amateur, in the context of the negotiations for enlargement of the EEC?

Mr Dalsager, Member of the Commission. — (DA) The Commission has no reason to think that the Community's rules on the sale and control of seeds are inappropriate in respect of different climatic conditions. It also does not think that the rules discriminate against small firms or that they, for no good reason,

prevent the growing of successful varieties. The Commission does not agree that there has been any failure to consider the possible effects of the Regulations, either when they were drafted and adopted or at any time during the negotiations on the enlargement of the Community. Like all other legal provisions, these Regulations can of course give rise to difficulties. The fact is that the EEC provisions are based on the principle that seeds — including vegetable seeds — may only be put onto the market if they are of a variety which is known to be pure, homogeneous and stable. The intention here is to ensure that anyone buying seeds of a particular variety also gets the plant product he expects under the variety designation in question. All vegetable varieties which meet these requirements can, according to the EEC provisions, be included in the Member States' lists of varieties and in the EEC list of vegetable varieties. This measure has made it possible to exclude a number of brand names which did not refer to particular varieties and to exclude varieties which could not be shown to meet the requirements for inclusion in the list of varieties.

Mr Enright (S). — Whilst I praise wholeheartedly the Commission's desire to stop crooks on the market, is it not also true that they should be very sensitive to the needs of ordinary amateur gardeners and that in this particular case they are not being so? There are proposals at the moment that Yorkshire and Lancashire smallholders should gang together against the Commission on these particular proposals. That will be a formidable combination in defence of the Leeds lettuce.

Mr Dalsager. — (DA) This is, after all, a highly technical proposal and, since I am not a specialist in the field, I will of course ask the officials and specialists on my staff to investigate any complaints which may be received from the smallholders and amateur gardeners concerned anywhere in the Community.

Mr Enright (S). — A very brief point of order, Mr President, and I do appreciate the way you are getting through Question Time so quickly. Could I write to the Commission about these particular difficulties, and can we resolve it in that way?

President. — You are quite free to do so, Mr Enright. Question No 45, by Mr Israël (H-154/83):

Does the Commission intend to propose that a European Guarantee Fund be created in an attempt to maintain a stable European exchange-rate against the dollar by effective intervention in the exchange markets?

Mr Ortoli, Vice-President of the Commission. — (FR) The policy on exchange-rates adopted at the time when we set up the European Monetary System — towards the end of 1978 — called for us to coordinate

¹ See Annex II.

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our monetary activities with those of third countries. In practice, it proved impossible to do this, with the United States in particular, because the doctrine was the doctrine of non-intervention on the market. Despite this, we returned to this subject last year, when presenting to the Council of Ministers a communication on follow-up development of the European Monetary System, stressing the need for stable exchange-rates and closer coordination with our leading partners and proposing that this could be done between Member States, acting in concert with our leading partners — essentially the United States — and using a single source of intervention resources, which would have been provided by a European Monetary Fund, matching intervention by the Americans, for instance. I say this because it is a practical impossibility to regulate parities with other countries' currencies if we have no agreement with them. It is quite clear that the dollar's exchange rate cannot be regulated by unilateral action on our part.

This is not the monetary guarantee fund that Mr Israël is proposing, but it is exactly the same idea, joint action using joint resources set up on the basis of a single line of credit.

Since that time, although this idea was not adopted, the beginnings of progress have been made since the Summits held at Versailles and Williamsburg. First of all, it was decided to examine the problem of intervention to see what contribution it could make towards stabilizing exchange-rates. The report was submitted and its conclusions were taken up at Williamsburg.

The problem of exchange-rate stability is one of major concern. The first conclusion reached is that consistency and compatibility of all national policies make for more balanced exchange-rates. Intervention has a part to play, however. I think the text calls for limited intervention, either when the market becomes disorderly or excessively volatile, or when a signal can be given to the market. It has been agreed that, when such circumstances arise, the partners will consult with a view to taking joint action, if appropriate. Of course, this is not what Mr Israël is looking for but, in a field in which there is no unilateral action by the Community, it is undoubtedly one of the aims envisaged. We shall see in a few months' time whether or not we are beginning to return to a better organized policy of exchange-rate stability.

Mr Israël (DEP). — *(FR)* I am most grateful to Mr Ortoli for his detailed and interesting reply. I should now like to ask him, what he thinks the current value of the dollar should be if it is not to be a threat to European economies.

Mr Ortoli. — *(FR)* If I knew, and if I had enough conviction, I would resign from the Commission tomorrow and set up as a foreign exchange dealer.

Mr Herman (PPE). — *(FR)* Have contacts on this matter been continuing since the Williamsburg

Summit? Is there a working-party in the Commission which is cooperating with representatives of the American or Japanese authorities on continued monitoring of the market and trying to formulate proposals for intervention measures or at least to set down some guidelines for intervention?

Mr Ortoli. — *(FR)* I have asked for the follow-up to Williamsburg to be examined at the next Council of Ministers.

Mr Cousté (DEP). — *(FR)* I listened with great interest to Mr Ortoli's answer, but should like to ask a supplementary.

When referring to our leading partners, he did not mention the Japanese yen. Now I believe that if we want to improve the organization of the international monetary system we must reach an appropriate agreement with the Japanese, along lines that the Commission is fully able to define, since they play such an important rôle in world trade.

Mr Ortoli. — *(FR)* It is clear that one cannot discuss the exchange-rate situation exclusively in terms of the dollar on one side and the European currencies on the other. Obviously, many other currencies are involved, and the yen is among the most important. Consequently, what I said about relations with the United States, to which I thought Mr Israël's question referred in particular in view of the dominant rôle of the dollar, applies equally to the yen. I would add that this is borne out by the fact that my references to the various summits apply to the yen, since the Japanese were at Versailles and Williamsburg.

I was rather off-hand in my reply a moment ago to Mr Israël's supplementary. I would say to him that I do not believe that one can set a rate for a currency with any certainty. I nevertheless think that, in this dialogue with our leading partners, the early stages of which must be kept flexible, we should be fairly clear in our minds about the point at which we think the situation begins to be unreasonable. I cannot define the bounds of reasonableness, by which I mean that I do not know exactly what rates should be set for the yen and the dollar, but I am convinced that, once a certain stage has been reached, we must get together to ask whether movements in exchange-rates are really what might be expected under normal circumstances. In point of fact, this is implicit in the Washington and Williamsburg communiqués, since they refer to the level of exchange-rates.

Mr Seligman (ED) — I was heartened to hear the Commissioner say that there are prospects for this fund being established within the next few months. I have always understood that it was the intention to establish a European monetary fund of 36 billion dollars. Could he tell me if Britain has undertaken to

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contribute to this fund, even though it is not a member of the EMS? This is purely a question for information. What is Britain's rôle in this fund?

Mr Ortoli. — (*FR*) The question of establishing a fund did not arise. What we had proposed, but was not acted upon, was a line of credit. I think that what the honourable Member is referring to is the range of credit machinery operating within the European Monetary System. The United Kingdom is already associated with most of this machinery; the part of the European Monetary System with which it is not associated is the agreement on parity bands, the arrangements aimed at keeping fluctuations between the various currencies within a given range. The United Kingdom is closely involved in the other areas, and indeed this involvement includes taking part in discussions on parity movements when they come up.

President. — Question No 46, by Mrs Nebout (H-157/83):

Can the Commission state whether it has drawn up a list of State aid and interventions in the textile and clothing sector and, if not, when it intends to do so, since transparency of aid is a precondition for any Community industrial strategy?

Mr Andriessen, Member of the Commission. — (*NL*) The Commission recognizes the importance of the transparency of support measures and has therefore made a regular practice in recent years of compiling lists of measures taken in support of the textile and clothing industry. The last of these lists is dated May 1981 and covers sectoral, regional and general support measures, the legal bases, the amounts concerned, the conditions under which they may be granted, their destination and their nature. At the moment the Commission is updating these lists. It wants not only to detail all the sectoral support measures taken in aid of the textile and clothing industry but also, by updating these lists, to obtain a more complete picture of the funds made available to this sector from 1980 to 1982 under regional and general national support measures.

Mrs Nebout (DEP). — (*FR*) I should like to point out to the Commissioner that it was precisely because information on the regional or general aid granted in 1981 is necessarily incomplete that I put this question, for the matter remains topical.

I should like to know when the inventory will be completed, given the urgency of the situation, with several European countries facing a crisis in the whole area of textile production and the efficacy of intervention concerned with industrialization of products.

Mr Andriessen. — (*NL*) In connection with the problem to which the honourable Member has

referred, discussions took place early this year with the sector concerned and representatives of the Member States to see how the list might be updated. At the moment I cannot say exactly when the list will be available. A great deal of work is entailed, and the Commission is, of course, dependent on the cooperation of those directly concerned. I am therefore unable to say precisely when all the information will be available. What the Commission has done in the meantime in a number of specific cases, concerning Belgium, France and Italy, is to take decisions permitting certain support measures in favour of this sector subject to strict conditions laid down by the Commission. Clearly, as it monitors the implementation of these plans, the Commission will ensure that support is given to this sector in a responsible manner.

Mr Nordmann (L). — (*FR*) I should first like to ask the Commissioner what publicity he intends to give to the new forms of aid added to the list since 1981. I should also like to ask him whether he subscribes to the terms of the question put by Mrs Nebout, which imply that such knowledge and such transparency are prerequisites for any Community industrial strategy, or takes the opposite view that a Community industrial strategy should be planned immediately without waiting for an exhaustive list which may prove impossible to draw up.

Mr Andriessen. — (*NL*) The Commission supports the view that the transparency of support measures may make a major contribution and is important for the development of an industrial strategy. It is certainly not true to say that it will be impossible to make an assessment of plans for the restructuring of the textile industry in certain Member States without a complete list of support measures that is right up to date. As I have said, we have the 1981 list, we have received from the Member States many reports of instances of support being granted, which have been carefully checked, we have a general view of the strong and weak aspects of various subsectors of this sector, and by using this information, it is certainly possible to give guidance on the restructuring process, which is in any case primarily the responsibility of the industry and the Member States.

Mr Purvis (ED). — Talking about the transparency of State aid, the Commissioner will be aware that he has received a complaint from a Scottish boat-builder in the last day or two about a sudden drop of 27% in the price of Danish fishing-boats. When the Commissioner proceeds to examine how this is possible and investigates the transparency of the aids that are presumably coming their way, will he go beyond the immediate and go into how temporary employment subsidies might be available not just to the builder himself but also to subcontractors, especially labour-

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only subcontractors? There might be local authority loans and soft loans, and all the way down the stream, things that are otherwise not immediately obvious at the front end of these investigations.

Can I have his assurance that in his desire for transparency he will go right into the deepest bowels of these problems?

Mr Andriessen. — (NL) If I am not mistaken, the question we are discussing concerns transparency in the clothing and textile industry. The honourable Member's question concerns transparency *per se* and is related to a completely different sector. If you will allow me to answer this question, I will say very briefly and very clearly that, as soon as it receives a complaint or a notification of support, the Commission considers any aspect that may be important in obtaining an insight into the matter. I am not saying that the Commission is always able to cover all the circumstances, but it does its very best to take account of all the aspects, and if it finds evidence of them — there have been recent examples of this — due account is taken of local and other factors.

Mr Enright (S). — Has the Commission investigated the subsidies given by third countries to the clothing industry and, in particular, has it looked at the suspicious siting of West German factories close to East European borders?

Mr Andriessen. — (NL) It is, of course, far more difficult for the Commission to gain an insight into support granted by third countries compared with the support given by the Community countries, if only because our ability to obtain information in such cases is far more limited than it is in the Community. But if and when we are sure that subsidies are being granted in third countries and that they infringe international agreements or specific agreements the Community has concluded with these third countries, they are subjected to the same process and we endeavour to come to an orderly arrangement with the countries concerned within the terms of these agreements. The same can be said of the specific case to which the honourable Member has referred.

Mrs Scamaroni (DEP). — (FR) Does not the Commissioner think that the fact that the updating has not been absolutely completed will weaken the Community's position in the GATT negotiations on textiles, since the Community must, in our view, provide third countries with evidence of the efforts that it is making to restructure?

Mr Andriessen. — (NL) The availability of all the information and data will clearly be a help during the negotiations to which the honourable Member refers. It is also clear that it is not necessary to have all this information to conclude international agreements.

President. — As the author is not present, Question No 47 will be answered in writing¹.

Question No 48, by Mrs Ewing (H-113/83):

In view of Commissioner Tugendhat's categorical assurance that the Commission supported the proposals for an agricultural development programme in the Highlands and Islands of Scotland; having regard to the British Government's promise to study Commission proposals attentively, and bearing in mind Commissioner Dalsager's assurance that such proposals could be finalized within a matter of weeks, will the Commission convince the European Parliament that it is justified in regarding the pursuit of a European parliamentary resolution as a waste of time?

Mr Dalsager, Member of the Commission. — (DA) First of all, let me say to the honourable Member that the Commission has never considered the pursuit of a European Parliamentary resolution a waste of time. On the contrary, the Commission has paid all due attention to such resolutions and responded positively to them whenever it was able to do so.

I fully realize that the honourable Member is much concerned with the problem of the difficult conditions for agriculture in the Highlands and Islands. This subject has been raised on several occasions in this House, most recently during the discussion of the resolution in the Provan report in February, when my colleague, Mr Tugendhat, deputized for me here in Parliament. I can only repeat what Mr Tugendhat said at that time namely, that particular emphasis will be laid on the disadvantaged parts of the Community in the proposals for an amendment of the common agricultural policy which the Commission intends to put to the Council in the near future. In that connection, the Commission will undertake a selection of those areas which — because their structural problems are acute — have the greatest need of Community assistance, and it is within that special framework that the question of a special development programme for the Highlands and Islands will be dealt with.

Mrs Ewing (DEP). — Will the Commissioner accept that there has been much disappointment in the wake of his own assurances to a considerable Highlands and Islands lobby in the month of February that these proposals would be produced by the Commission very quickly indeed? In view of the seal of approval given by this Parliament and its Committee on Agriculture, in view of the fact that there are 8 people per square kilometre in the area in question, where man himself is an endangered species, in view of the precedent in the form of the Western Isles Programme, which is a great success within a structural revision, will the Commission not now keep its promises? It did say that it was in favour and agreed to bring forward proposals so that Mrs Thatcher would have no excuse not to carry on with this programme.

¹ See Annex II.

Mr Dalsager. — (DA) I think Mrs Ewing is confusing two things, first the structural programme, which we are concerned with here, and secondly a programme to extend the less-favoured areas in Scotland. It is this proposal which, as I said, it would be possible for the Council to adopt within a very short space of time if we get the necessary information. We now have that, and the proposal is being prepared in the Commission. I expect that we can present it to the Council very soon, so that the decision can be taken in the near future.

Mr Provan (ED) — My understanding of the present position on this matter is that the British Government has said that it will certainly look at these proposals in the light of new structural proposals when they come forward from the Commission. Can the Commissioner therefore give me any indication as to when we can expect to see the new structural proposals and the new structural directives coming from the Commission?

Mr Dalsager. — (DA) I hope within the next three weeks.

President. — Question No 49, by Mrs Le Roux (H-141/83):

In its report on the state of the agricultural markets in the first quarter of 1983, the Commission acknowledges that since 1 January 1983 the price for slaughtered pigs has fallen to only 79 % of the basic price. This drop, which is even greater in France as a result of monetary compensatory amounts, is catastrophic for producers. In a few weeks they will lose a year's income and their debt burden, which is already too high, will become unbearable.

Despite the gravity of the situation, the Commission merely notes that 'there seems little chance of improvement in the market in the next few months'. This passivity is quite unacceptable, as the Commission is partly responsible for this state of affairs. EAGGF expenditure on pigmeat in 1982 was 27.8 % lower than in 1981.

Why does the Commission not take speedy steps to halt this trend and safeguard the earnings of producers (dismantling of MCAs, market support measures, import restrictions)?

Mr Dalsager, Member of the Commission. — (DA) The Commission can confirm the heavy fall in prices for pigmeat since the beginning of the year. From the beginning of January, to the beginning of May, the average price fell from 166.15 ECU to 143.69 ECU, which is a drop of 13.5 %. In the same period, the price of pigmeat in France fell from 177.12 ECU to 156.75 ECU, i.e., by 11.6 %, but still leaving prices in France well above the average.

The main reason for the difficult conditions affecting the meat market in the Community is the unfavourable

economic situation. After many years of rising meat consumption, a trend in the opposite direction has been in evidence for some time, which first affected the beef market and then the pigmeat market. The Commission promptly instituted market support measures, support for private storage from 1 February 1983, which has given rise to the storage of over 60 000 tonnes of meat in 14 weeks. In addition, the export refunds for fresh meat were increased by about 60 % from 18 April 1983, and it looks as though this increase has encouraged the export of pigmeat.

In addition, the Council, in conjunction with the farm-price negotiations for 1983-84, adopted a certain adjustment of the monetary compensatory amounts for pigmeat, which will be of especial help to the French breeders following the relatively sharp reduction in monetary compensatory amounts for pigmeat. Added to this is the proposal to alter the method of calculating monetary compensatory amounts for pigmeat, which the Commission sent to the Council on 20 June and on which Parliament is to give its opinion during this part-session. The Commission does not, therefore, share the opinion of the honourable Member that it has been inactive and passive in this matter.

Mrs Le Roux (COM). — (FR) Mr Commissioner, when you say that there are difficulties over the reduction in consumption, I am confused, since it is known that France does not produce enough pigmeat to meet demand. It therefore seems to me that your answer is not entirely accurate in relation to the question that I put in this respect.

Mr Dalsager. — (DA) I did not understand this supplementary question. What I gave was a statement on the facts and the information which we have on this matter at the present time.

Mr Newton Dunn (ED). — I am not entirely satisfied that the Commission has done enough to help pig producers. They are in an extremely difficult position, and I would like to know from the Commissioner why he has not already introduced details of the cereal incorporation scheme whereby, instead of exporting surplus cereals at a subsidized price to other countries, the Community is going eventually, we hope, to offer those subsidized cereals to internal pig producers and other people. Why has he not brought forward those proposals already, considering the plight of the pig producers, and when shall we hear about them?

The Commissioner said he did not understand Mrs Le Roux's question, I do think he may have understood mine.

Mr Dalsager. — (DA) I understood Mrs Le Roux's question perfectly well, but then there was a supplementary which, as I said, I did not quite get. The infor-

Dalsager

mation I gave was my answer to Mrs Leroux's questions and was intended to explain what the Commission had done in this area this year, in which the difficulties have been most severe. I might perhaps add that, over and above that, in the course of the price negotiations, we set aside a special amount for support to pigmeat production in the United Kingdom for the purpose of improving abattoirs, etc. The Commission has thus been attentive to the fact that there have been great difficulties in the pigmeat sector in all the Member States.

President. — As the author is not present, Question No 50 will be answered in writing.¹

Question No 51, by Mr Galland (H-152/83):

The new Article 947, headed 'Energy aid to developing countries', provides for the installation in those countries of photovoltaic solar-powered water-pumps.

Can the Commission state what procedure is being followed to implement this measure effectively and to ascertain the needs of the countries involved; whether the developing countries concerned (particularly those in equatorial areas) have been informed of this new possible source of Community aid; whether preliminary studies have been carried out or are in progress, taking account of the environment, climatology and infrastructure, and, if so, in what countries and at what locations?

Mr Pisani, Member of the Commission — (FR) Article 947, 'Energy aid to the developing countries', which stems from a parliamentary initiative, covers the whole area of cooperation in the energy field with all developing countries.

The programming of Article 947, for which studies had to be carried out since this was a new initiative, is now nearing completion. It revolves around various actions preparatory to integrated energy-development schemes. As the question intimates, the modest amount of the appropriation — 2 250 000 ECU — did not allow scope for fundamental operational activities, which would have called for much more substantial finance. On the other hand, it enabled us, together with the countries concerned, to draw up plans either for experimental work or for studies to form the basis of strategic planning. That is the stage reached to date. It is a line of action which is beginning, one whose importance we fully appreciate and which deserves to be developed. I should also like to say to Mr Galland that this appropriation is additional to the 50 million ECU to be used to combat hunger in the world; it may not be very substantial but it is not negligible, since various schemes to combat desertification and misuse of firewood have been mounted under this heading.

On an overall view, therefore, we find that this appropriation is generating a whole range of action which could prove decisive in the future.

¹ See Annex II.

Mr Galland (L). — (FR) This is not at all the answer that I was expecting from the Commission. As it happens, I am very well aware that this is a new departure stemming from a parliamentary initiative, since I have a twofold claim to be its author, both personally and as the rapporteur for the Committee on Energy and Research.

I am fully conversant with Article 947, and its content is not as defined by Mr Pisani. We did of course vote an article concerned with aid in the energy field for the developing countries, but the funds were to be allocated for a very specific purpose namely, the installation, in developing countries, of photovoltaic cells for the purposes of drilling for water. These funds were voted for a very clearly defined operation, and I am amazed at Mr Pisani's answer, which gives the impression that we voted for something quite different. I therefore ask him whether or not we are indeed agreed on the very specific purpose for which these monies were allocated, in line with Article 947.

Mr Pisani. — (FR) I am pleased to note that Mr Galland is true to himself, in that the appropriation which he had proposed and for which he rightly claims the initiative had indeed been intended exclusively for experimentation with photovoltaic cells. However, the final vote broadened the use of this appropriation to all areas of energy policy.

That said, I can tell Mr Galland — and I apologize to him for not having done so in my initial answer — that we have shown great interest in such experiments and have even encouraged a number of developing countries to take an interest in them, but we have not received a single request.

Mr Seligman (ED). — I beg to differ with the Commissioner. I think Mr Galland is quite right when he says that we authorized in the budget a specific number of photovoltaic cells to be given or sent to the developing world. Since the Commissioner is a former member of the Committee on Energy and Research, he may be able to tell me whether the latest developments in photovoltaic cells incorporating amorphous silicon are known by the Commission, because this has made the whole project much more economical.

Mr Pisani. — (FR) Being responsible for development, I necessarily have to cover various aspects: agriculture, energy and so on. In the case of energy, my colleague Mr Davignon is the Commissioner with specific responsibility. That said, we are aware of the rapid developments in solar-pump technology, and we are also aware of the emergence of materials which are much less costly than those which were being talked about or used in the past.

With regard to the developing countries, we can do nothing without their agreement, and I repeat that we have received no requests to support experimentation with this new technology.

Pisani

On the basic point — the exact purpose for which the funds were allocated under the chapter quoted — I invite honourable Members to refer to the report of proceedings; I do not think that I need add to my earlier explanation of the situation namely, that, at the end of the debate, the purpose for which the appropriation was to be used was broadened. But is there now any substance in this discussion? We have not refused funds for photovoltaic cells and diverted them to experimentation of other types, since we have not received any requests in connection with photovoltaic cells.

Mr Nordmann (L). — *(FR)* Nor do I remember the broadening referred to by Commissioner Pisani but, in view of his answer to the supplementary, I should like to ask him whether, if it did receive applications, the Commission would be able to respond immediately, or would it expect to have further preliminary studies carried out?

Mr Pisani. — *(FR)* I should like to be absolutely clear on what is meant by that question. If we received an application for a project which was eligible in terms of its presentation, its technical value and its usefulness, we would not initiate a preliminary study, we would set up the project as quickly as possible.

I should like to point out that our attitude to solar energy and the problems involved is not necessarily shared by the developing countries. For us, experimentation has a given meaning; for us, the achievement of technological progress, with the possibility of applications in 10 or 15 years' time has a particular meaning, because we are bound up in an intellectual process associated with our own civilization, which is familiar to us. For the developing countries, very few of which — none as far as we are aware — attach top priority to photovoltaic experimentation, there are other extremely urgent problems, and a strategy to avoid misuse of firewood and desertification, efforts to develop much more immediate research and development methods, or overall energy strategies, such as those that are being drawn up in southern Africa, are priority objectives which take precedence over experimentation with solar pumps.

Our approach to these problems is clearly different from that of the developing countries, but we have a rule — and it is clear — according to which we respond to a request. When we draw up programmes, we do so in conjunction with the developing countries.

President. — Question No 52, by Mr Bonde (H-179/83):

Will the Commission confirm that the Genscher-Colombo Plan, in its present form as an official declaration, does not in any way extend Commis-

sion participation in European political cooperation beyond what was decided in the London declaration of 1981, and, if so, does this mean that:

- the Commission may only take part as an observer;
- the Commission may only put forward proposals in areas covered by the provisions of the Treaty of Rome;
- the Commission may not, without specific authorization from the Council, incur expenditure for foreign policy or security-policy purposes;
- the Commission may not take part in meetings where purely EPC matters are to be discussed?

Mr Thorn, President of the Commission. — *(FR)* The honourable Member asks me whether I can confirm that the Genscher-Colombo Solemn Declaration in no way enlarges the Commission's rôle in political cooperation beyond what was decided previously. I should like to say in reply that it is for the Heads of State or Government and them alone to comment upon and interpret the Solemn Declaration that they signed in Stuttgart on 19 June last, to which the Commission was not a party.

I would add that the authority for bringing the Commission fully into the process of political cooperation is contained in the London declaration of October 1980, which remains valid and which we have discussed on numerous occasions.

Mr Bonde (CDI). — *(DA)* Can the President of the Commission explain what he understands by the words: 'shall be fully involved in addition to the areas in which the Commission already has powers pursuant to the Treaty of Rome'?

Mr Thorn. — *(FR)* I do not follow very well, sir. I do not propose to explain the Treaty of Rome and the powers vested in the Community in this House. The treaties have not changed, political cooperation exists, and the Stuttgart Solemn Declaration is an act signed by the Heads of State or Government: let us each remain within our respective spheres of competence. I should nevertheless like to say to the honourable Member that I am not trying to avoid the issue. If he wishes, let us go into this debate, and I shall be pleased to go back over the four questions...

President. — No, I don't think that is necessary.

Mr Israël (DEP). — *(FR)* Mr President of the Commission, may I ask you, man to man, to give me a direct answer to the question of whether or not institutionalization of political cooperation would be a good thing in the eyes of the Commission?

Mr Thorn. — *(FR)* I can tell the honourable Member that I believe in all honesty that, as I have said on numerous occasions, this grey area surrounding the treaties is a very important thing. It has often enabled us to proceed by trial and error.

Now it has to be said that the things that have been devised for pragmatic reasons should either be abandoned or be deemed necessary to the life of our Community. I accordingly believe that it would be better to incorporate them into the Treaties, and that it would be a good idea to do this once every generation.

Our Community is much less firmly established than our Member States and it needs more rather than fewer institutions. This is why I should like to see a treaty of European union embodying all the points on which we are working currently.

Mrs Hammerich (CDI). — *(DA)* I am all in favour of staying within one's powers, that I fully understand, and it is a question of interpretation. But Mr Bonde merely asked about some quite practical matters: how are these words in the Stuttgart declaration to be understood? He asks at a purely practical level: how is the Commission to participate? It seems to me to be a question to which we should be given an answer, because it is a question about purely practical matters. I would therefore ask you whether, as you yourself hinted you might, you would consider answering the questions a little more fully, even if our President, Mr Klepsch, does not seem to think there is much value in that.

Mr Thorn. — *(FR)* Madam, allow me to repeat that, as far as we are concerned, nothing has changed since the earlier decisions in which we had a hand, since we were not party to the most recent agreements. Now when I am asked, Mr President, whether the Commission's involvement in such matters as political cooperation is not in the capacity of observer only, I repeat what we said after the London declaration namely, that the Commission is involved at all levels of political cooperation. It is not, of course, party to the consensus; whether that means that it has observer status only, I leave you to judge.

Secondly, can the Commission only bring forward proposals on matters covered by the Treaty of Rome? But Madam, as you know, the Commission's right of initiative is governed by the provisions of the Treaty of Rome; the rules on political cooperation are in no way comparable.

Thirdly: without special authorization from the Council, the Commission cannot finance the pursuit of objectives falling within the spheres of foreign policy or security. That was the subject of your third question. The Commission implements the budget as

adopted by the budgetary authority, you are one of the branches of this authority and you sanction it.

Fourthly: cannot the Commission take part in meetings at which the business is concerned exclusively with political cooperation? Let me say that where the meetings concerned are Community meetings as such, the Commission takes part, under conditions which are well known; in the case of political cooperation, the Commission's full involvement is guaranteed by the London declaration. In the case of other activities connected with European Union but outside the province of political cooperation, its involvement is governed by the relevant item in the Solemn Declaration. That is all I had to say on this point. In our view, therefore, it is still basically the provisions of the Treaty which govern our relations, while the arrangements for political cooperation are still as defined in London, and the nature of the Commission has not been changed in any material way. But at all events I have the impression, Mr President, that the House is no longer very interested in the answers.

President. — Mr Thorn, your answer has brought about the result that I was expecting, since you have now replied twice that you intend to remain within the framework of the present arrangement, and you have merely developed this point. I did not interfere, in order to avoid giving the impression that I wanted to play the question down.

Mrs Boserup (COM). — *(DA)* I want to try the patience of the President of the Commission just a little further by putting one single question in the same area: how many officials are there — if any — in the Commission working on foreign policy and security policy questions? What expenditure is set aside for this purpose, and under what articles of the budget?

President. — That is a completely different matter, Mrs Boserup, which is not connected with the question. Unless the President of the Commission is prepared to answer it, I will rule it out of order.

Mr Thorn. — *(FR)* Thank you, Mr President, but as you were saying, I should not like to give the impression of being evasive. Madam, I am not prepared to give this answer today; I shall willingly give it on another occasion, but I can tell you as of now that we have no staff whose jobs are concerned essentially with security matters. The Commission has no officials specifically responsible for foreign affairs, for relations with the governments of the Member States, with the Permanent Representatives Committee or with the Council of Ministers for Foreign Affairs, which we know as the General Affairs Council. But, for political reasons, we have never increased our staff, not recently at least.

Mr Johnson (ED). — I want to assure the President of the Commission that I was absolutely delighted to have his view that questions of political cooperation should be incorporated in a revised treaty. In view of the fact that last night the Committee on Institutional Affairs voted by a large majority in favour of a new treaty — including this element — and bearing in mind that the Parliament will be debating this at length in the September part-session, I very much hope we can look forward to having his confirmation at the September part-session of thoughts of this kind and indeed any further thoughts he may have on the subject.

Mr Thorn. — (FR) Mr President, all I can say to the honourable Member is that, true to my country's motto, *je maintiendrai*.

President. — Question Time is closed.¹

7. Welcome

President. — Ladies and gentlemen, it gives me especial pleasure to welcome the members of the House of Lords Select Committee for relations with the European Community, who have taken their places in the official gallery.

(Applause)

Lady Llewelyn Davies and her colleagues have come here to meet the Committees on Political and Institutional Affairs and to discuss certain matters with members of these committees. I very much welcome this visit, which is designed to strengthen and deepen our mutual relations.

IN THE CHAIR : MR ESTGEN

Vice-President

8. Votes²

VAYSSADE REPORT (Doc. 1-177/83: Annual accounts of banks)

Mrs Vayssade (S), rapporteur — (FR) Mr President, I do not wish to reopen the debate, but should just like to clear up a number of points, in a very few words. The report on the annual accounts of banks came up at a quarter past one on the Friday afternoon at the end of the May part-session, which explains why, if I counted correctly at the time, there were only 13 Members in the Chamber; we therefore thought it only sensible not to vote at that time. On that day, however, we also heard a statement from the Commissioner representing the Commission, giving a very clear indication of its opinion of the Legal Affairs Committee's amendments, showing that the Legal Affairs Committee and the Commission were at odds

with each other. To avoid wasting the House's time, we came to the conclusion at the beginning of June that it would be more efficient to ask for the matter to be referred to committee, even before the vote was taken. The matter has therefore been discussed twice by the Legal Affairs Committee and, following this further discussion with the Commission, various amendments have been withdrawn, a compromise amendment having been formulated. I wanted to make sure that all Members were aware of this. I thought it was important to point this out before the voting started, and I think it would be appropriate if Mr Commissioner Tugendhat now outlined the results of the consultation between our two institutions, so that Parliament will be fully apprised of the situation when voting.

Mr Tugendhat, Vice-President of the Commission. — With your permission, Mr President, and that of the House, I would like to thank Mrs Vayssade for what has been done, and I agree with her that we have had a very useful exchange of views. As a result, a substantial number of amendments have been withdrawn. The situation is now that the Commission can fully agree to the following remaining amendments: Nos 2, 6, 7, 9, 10, 17, 18, 21 and 23, and to the new compromise amendment on Article 9 of the directive concerning the question of maturity of debts and credits.

The amendments to which the Commission still cannot agree are thus now limited to the following short list:

Amendment No 1, because it is inconsistent with earlier directives;

Amendment No 20, because we still believe that hidden reserves should be limited to loans items and not extended to securities items. Otherwise, almost all of the balance-sheet would be unreliable and would not, indeed, provide a true and fair view of the position of the bank;

Amendment No 22, because it is incompatible with the aim of harmonization to permit a set-off in accordance with national law;

Amendments Nos 24 and 25, because it seems to us to be the responsibility of the Member States to decide who are to be their representatives on the committee.

Finally Mr President, the amendment concerning the evaluation of securities at their market value, introduced by a Danish Member of this House, is inappropriate, as already explained several times. Article 33 of the Fourth Directive, which also applies to banks, already provides for this possibility. Furthermore, Danish Law No 284 of 10 June 1981 has taken advantage of this possibility in its section 34. So all that remains to be done now by Denmark is to extend this system to banks in due course and if deemed appropriate.

¹ See Annex II.

² See Annex I.

Tugendhat

Mr President, as Mrs Vayssade said at the beginning, we have, I think, managed between us to reach agreement on a great many points.

Mrs Nielsen (L). — (DA) Mr President, on behalf of the Liberal and Democratic Group, I should like to announce that we wish to uphold Amendment No 19, and we do so regardless of the fact that Mr Tugendhat has reiterated what he said a moment ago. The Legal Affairs Committee did not get correct information, Commissioner, when it was told something to the effect that Danish legislation already made provision for what we wanted to achieve through Amendment No 19. I think it might have merited...

President. — Mrs Nielsen, I have noted that you wish to take over Amendment No 19. I cannot allow a debate to develop at this hour, but the matter has been taken care of: Amendment No 19 has not been withdrawn.

Mr Tyrrell (ED). — Yes, my understanding in the Legal Affairs Committee was not that these amendments were to be withdrawn, but rather that the rapporteur would advise the House to vote against them. We still want to vote for Amendments Nos 2, 3 and 4, so I suggest they should not be withdrawn but that the rapporteur advise the House what the Legal Affairs Committee's second vote was.

PATTERSON REPORT (Doc. 1-1314/82: Temporary work)

Draft directive, Article 1: Amendment No 82

Mr Patterson (ED), rapporteur. — Mr President, we have a problem here, because there is a difference between French and Belgian law: the term '*temporaire*' is correct for France, the term '*intérimaire*' is correct for Belgium. I suggest that we pass this amendment but let it be noted that when the directive is published, the correct term for Belgium is '*intérimaire*'.

Mr Peters (S). — (DE) There is a fundamental difference between these two employment contracts. The word '*Leiharbeitsvertrag*' must for instance, be kept in German; it cannot be changed to '*Zeitarbeitsvertrag*', because that is something quite different. This distinction will have to remain in the German text.

President. — That is open to various legal interpretations in the different languages. We must therefore try to ensure that what is really at issue is clearly stated in the text.

Mrs Maij-Weggen (PPE). — (NL) Mr President, I wonder if we ought to be voting on an amendment which reads differently in so many languages. Should we not ask the language service to make the necessary corrections first?

President. — If Amendment No 82 is not withdrawn, I have to put it to the House. If it is, the original wording remains valid and we can ask the translation services to take into account the various expressions used in the different Member States.

Lord Harmar-Nicholls (ED). — Mr President, you have ruled that there is a difference in interpretation. You have ruled that through nobody's fault, there is confusion. Yet you still say, despite the confusion, that we ought to vote. I do not see how a vote taken while that confusion exists could be worth anything. I think that the honourable Member who suggested that this should be sorted out before we vote is absolutely right.

President. — There is no confusion. All I said was that there are different interpretations of the terms used in the different languages and in the law of different Member States and this has to be taken into account. If Mr Vié withdraws his Amendment No 82, the original wording will remain and we shall ask the translation services to take into account the situation in the different Member States.

Mr von der Vring (S). — (DE) Mr President, I cannot agree with this interpretation. Any text that makes sense must be translatable. The translation must be at fault, and that is why you should not put this amendment to the vote.

President. — The text was tabled in French, and we have replaced the word '*intérimaire*', everywhere where it occurs, with the term '*temporaire*'.

Mrs Maij-Weggen (PPE). — (NL) Mr President, the problem is that, if this amendment is put to the vote, I must advise French-speaking Members to vote for it and other Members to vote against. That would be absurd. It is simply a question of translation, and I believe that you simply cannot put it to the vote.

President. — I put to you the following suggestion: I ask Mr Vié to withdraw his amendment and the Bureau ensures that a suitable wording appears in the French text. It is only the French text that is concerned. Does the House agree?

Mr Patterson (ED), rapporteur. — Mr President, I agree with your procedure, but I am bound to point out that it is not a matter of translation. It is a matter of difference in law in Belgium and in France. The term '*intérimaire*' has a different meaning in Belgium under Belgian law than it does in France. That is the problem. I suggest that the amendment be withdrawn and that we adopt the text as it stands, but that the fact be noted that the term *problem.* means '*intérimaire*' things in France and in Belgium. It is not purely linguistic.

Mr Cousté (DEP). — (FR) In the absence of Mr Vié, I should like to reply to the rapporteur that this is

Cousté

indeed, as he has said, a matter of substance. In French law, a contract between a user undertaking, a temporary employment business and a worker is of a strictly temporary nature. It is precisely because French law is absolutely clear that your interpretation is correct. As long as the French text contains the notions of '*travailleur temporaire*' and '*travail temporaire*', we can withdraw our amendment, since your interpretation upholds what we are asking for, the use of the word '*temporaire*' in the directive and the resolution.

Mr President, I am satisfied with your solution to the problem, but I should not like other honourable Members to be under the misapprehension that this is simply a translation problem. It has a bearing on the very essence of the temporary employment contract between a user undertaking, a worker and a temporary employment business.

President. — After what you have just said, could we not get out of the difficulty by adopting an amendment which introduced a footnote stating that for France the term '*intérimaire*' should be replaced by the term '*temporaire*'? It would only apply to France, since Belgium is not affected by this problem.

Mrs Duport (S). — (FR) In France, the term '*intérimaire*' is applied to businesses which employ people temporarily, and I cannot understand how Mr Cousté can say that it is not used in French legislation. We use the word '*intérimaire*' when referring to temporary employment agencies, and '*temporaire*' when referring to temporary contracts of employment entered into directly between the employer and the worker.

President. — It seems to me that we are doing work here which should have been done in committee, and I am not prepared to go on with this debate.

(Applause)

I repeat my suggestion: since there is a difficulty with French law...

Mr Arndt (S). — (DE) Either we vote on Amendment No 82 in its present form or not at all. We are not having any revisions. Either a vote is taken on Amendment No 82 as it stands — and we intend to vote against it — or no vote is taken at all.

Mr Peters (S). — (DE) Mr President, I cannot follow all the details because I don't know any French, but I must draw your attention to the fact that we are talking about 'labour subcontracting' and not 'temporary work', and if the term 'temporary work' is used it will cover any fixed-duration employment contract. Some subcontractors conclude temporary employment contracts, but what we are concerned with is the subcontracting of labour, whether on a

long-term or short-term basis. The distinction between labour subcontracting and temporary work must be retained.

President. — I don't see what else we can do. If the amendment is not withdrawn, we put it to the vote; if it is, we can see what we can do with the original text as regards the French version.

After the vote on all the amendments

Mr Patterson (ED), rapporteur. — At this stage, Mr President, I wish to invoke Rule 36(1), which says that I may ask the Commission to state its position on the amendments we have made to the directive. I will well understand if, in view of the voting on Article 3 of the draft directive, the Commissioner finds it somewhat difficult at the moment to state his position clearly. I also think that Parliament might wish to consider its position as well on Article 3. Therefore, if the Commission does not feel that it can accept or reject our amendments, I would suggest that the final vote be put off until the next part-session. On the other hand, it may be that the Commission's views are clear on all our amendments and I suggest we ask Mr Richard for his opinion.

Mr Richard, Member of the Commission. — The one thing the Commission does not have is a clear view on the voting that has just taken place during the last hour-and-a-half. It is very difficult to appreciate the full flavour of some of the amendments or indeed the cumulative effect of some of those that have been made and some of those that have not been made. It is, indeed, somewhat difficult for the Commission at this stage to know precisely which paragraphs are in and which paragraphs are out. It is also almost impossible for the Commission to get any kind of view as to the opinions, approaches and trends of the various political groups regarding the issues raised in this particular directive. Consequently, I am certainly not in a position to rise to Mr Patterson's bait this evening. If I may say so, I think it is thoroughly unreasonable of anybody to expect the Commission to react to 134 amendments in this varied sort of way, and to react immediately off the cuff. So, I cannot do it.

President. — What does the rapporteur suggest?

Mr Patterson (ED), rapporteur. — Mr President, I would point out to the Commissioner that I said I would quite understand if he was unable to give an opinion. Therefore, I can hardly see how I am being unreasonable. Even if I were being unreasonable, as rapporteur I have a duty to do so under our Rules of Procedure, whatever my private opinions are.

In view of what the Commissioner has said — and I entirely agree with him — I repeat I think it would be

Patterson

very good if the House had a period of cogitation, like the Commission, before we take the final vote on this report. So I would ask, under Rule 36(1), that the final vote be postponed until our next part-session.

(Parliament rejected the request for postponement of the vote)

President. — In view of the time, the remainder of the votes will have to be postponed until tomorrow.¹

(The sitting closed at 6.55 p.m.)

¹ For the agenda for the next sitting, see the Minutes.

*ANNEX I**Votes*

This Annex indicates rapporteurs' opinions on amendments and reproduces the text of explanations of vote. For further details of the voting, the reader is referred to the Minutes.

VAYSSADE REPORT (Doc. 1-117/83 : Annual accounts of banks) : ADOPTED

The rapporteur spoke :

- in favour of Amendments Nos 2, 6, 7, 9, 10, 17, 18, 21, 23, 24, 25 and 27 ; and
- against Amendment No 19.

Explanations of vote

Mrs Nielsen (L). — *(DA)* I am very happy that we managed to get amendment No 19 through on this cross-party basis. I am sorry that Mr Tugendhat, who is much preoccupied with precisely the point I am dealing with here, has not the time to listen ; but when Mr Tugendhat is able to listen, I will tell him why I have risen to speak, precisely in order to give an explanation.

We Danes have worked for many years to have included precisely the wording which has now been adopted by Amendment No 19. We knew from the start that the Commission was against it. We felt it when we had to adopt an opinion in the Committee on Economic and Monetary Affairs but a majority, which also cut across party lines, adopted this wording for the opinion of the Committee on Economic and Monetary Affairs. The same happened in the Legal Affairs Committee. It was also adopted by a large majority. I should like to thank our colleagues from countries other than Denmark, because the strength resulting from the fact that we were able to get it through derives from the fact that each of us can go to our political groups and involve them in the situation. I therefore very much regret that the Commissioner at the last meeting of the Legal Affairs Committee presented information which did not represent the whole truth. For, unless the Fourth Directive, which provides for a transitional period of 7 years, is amended so that the transitional period arrangement becomes permanent, we shall not be able to ensure that the valuation of securities may continue to be on the basis of stock-exchange quotation or market value. This is precisely what we wanted. The Legal Affairs Committee did not get this information and for that reason we suddenly had to withdraw Amendment No 19. But, as I said, I am glad we managed to get it through, and the Commissioner can rest assured that all of us together will be following the Commission in this proposal. All of us who, among the Danish Members, took an active interest in this will be following the Commission, and we expect it to act in accordance with what we have adopted.

President. — Mrs Nielsen, I am usually very polite and even well disposed towards ladies, but I must draw your attention to the fact that your speech was not, strictly speaking, an explanation of vote.

Mr Møller (ED). — *(DA)* On a point of order, Mr President, when we have had a report lying around for 2-3 months and have not been able to vote on it here, we are suddenly told, when we are about to vote, that an amendment of such importance — at least to our country — on which we have agreed, has been withdrawn. All the Members who were not

Møller

able to be present when voting began did not know that this amendment had been withdrawn. I therefore deeply deplore that a report, on which we had agreed and which constitutes a compromise, is suddenly changed just before the vote without any warning whatsoever.

Mr Sieglerschmidt (S). — *(DE)* The Socialist Group will reject both the proposal for a directive and the motion for a resolution. The proposal for a directive was intended to supplement the directive on annual accounts and only supposed to settle the questions that absolutely had to be settled, since variances are necessary in banking.

This proposal for a directive goes very much further than that. You have done something very funny, ladies and gentlemen of the majority, in adopting Mr Moreland's Amendment No 26, which states '... regrets that the Commission has included in its proposal' — in the proposal itself! — 'provisions for concealed reserves which do not serve the interest of shareholders or of the public as whole'. I would like to substitute 'the banks' customers' for 'the public'. You are enabling the banks — much to the delight of the banking associations — to conceal information to their hearts' content. We cannot accept that, and you will have to explain to the voters next year.

(Applause from the left)

Mr Moreland (ED). — I shall be supporting the resolution. I am sorry about Mr Sieglerschmidt's schizophrenia: it is about the last thing that I expected in this Parliament. I do believe that in fact both the directive and the resolution are reconcilable. I do not think there is a conflict and I would urge the House to support the resolution.

Surely everybody realizes that the days of hidden reserves must come to an end at some time in the future. There is really no justification for making a distinction between ordinary commercial businesses and banking businesses in this particular connection. Although I wish the Commission had gone further and would have liked the Legal Affairs Committee in the Parliament to go further, I think we have at least made some steps. So I hope Mr Sieglerschmidt will be able to bury his schizophrenia today and vote for this resolution.

Mrs Fullet (S). — *(FR)* On a point of order, Mr President. I do not know what word the honourable Member used in his own language in relation to Mr Sieglerschmidt, but in French '*schizophrénie*' means 'adolescent insanity'. I don't think we can allow such language to be applied to a Member of Parliament. This word was used twice, and in my opinion that is twice too often.

President. — Mrs Fullet, if Mr Sieglerschmidt had asked for the floor to make a personal statement, I would certainly have invited him to do so.

* * *

PATTERSON REPORT (Doc. 1-1314/82 : Temporary work): ADOPTED

The rapporteur spoke :

- in favour of Amendments Nos 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 36/rev., 45, 46, 48, 65, 66, 75 (1st part), 81, 82, 95, 97, 104, 105, 107, 108, 110, 111, 113, 114, 116 and 133; and
- against Amendments Nos 5, 12, 31, 35, 37, 39, 40, 41, 42, 43, 44, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 67, 68, 69, 70, 71, 72, 73, 74, 75 (2nd part), 76, 77, 78, 79, 80, 83, 85, 87, 89, 93, 94, 96, 99, 100, 101, 102, 103, 106, 109, 112, 117, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 130, 131, 132, 134, 135, 136, 137 and 138.

Explanations of vote

Mr Alavanos (COM). — *(GR)* The Members belonging to the Communist Party of Greece regard the Commission's proposed directive on temporary work as a new attack by

Alavanos

West European monopolies, *via* the supranational Commission of the EEC, against legitimate international order in the sphere of labour, against the internationally safeguarded, acquired rights of the working class, against International Labour Convention No 96/1949, which forbids profit-making bureaux for the location of workers, that present-day form of slave-trading. In its anti-labour orientation, the Commission does not even hesitate to violate the Treaties of Rome. Are you the guardians of the Treaties? Don't you know that on the basis of the Treaties harmonization can only be understood to mean progress, and is it progressive to impose, by means of a directive, temporary work on Italy, which forbids it, or on Greece, which does not recognize it? If any directive were needed, it would be one that forbade companies providing temporary work, not a directive like the one we are talking about, which under the pretext of reducing abuses, generalizes such firms at a Community level. Abuses could be reduced by national legislation, as the Left-Wing French Government did by decreeing substantial guarantees against circumventions of the laws relating to temporary work, in a way quite different from that proposed by the Community's directive.

Working people in the EEC countries are resolutely opposed to this decree, because it legalizes the simultaneous exploitation of working people by two employers, because it affects their welfare rights and disrupts their trade-union solidarity. As is characteristically mentioned by the specialist on labour relations Harilaos Tandaroudas, who is well known in Community literature, the proposed directive on temporary work, combined with the directive on part-time work and the Commission's proposal for a reduction in working hours with a parallel reduction in the purchasing-power of the working people, aims at imposing a situation of generalized and permanent underemployment for the working class within the EEC.

Following the rejection of our amendment to the motion as a whole and also of the amendments by our Mr Damette, Mr Frischmann and Mr Bonaccini, the Members belonging to the Greek Communist Party will vote against the motion and will fight alongside the workers to prevent the generalization of this form of exploitation within the territories of the Community.

Finally, in accordance with Article 100 a unanimous vote is required for the directive to be approved by the Council of Ministers. We hope the representative of PASOK, who is due to speak after me, will oppose the amendment and we also hope that the Greek Government will directly, publicly and categorically declare that it will not permit this new attack by the EEC against the acquired rights of working people.

Mr von der Vring (S). — *(DE)* Mr President, the usual procedure in this situation is for the President to call on Members to submit written statements, because we still have a lot of votes to take and there is a chance of our keeping to the timetable provided we don't have to listen to explanations of votes for half an hour.

President. — Mr von der Vring, I hand on your suggestion to those who have still to speak, but they are entitled to do as they wish.

Mr Rogers (S). — Mr President, my request is still the same. It is absolutely farcical that you ask people to give explanations of vote and you get a gentleman standing up and reading a text word for word. It is absolute nonsense. You should enter it in the record. The time of people here is being wasted — 10 minutes or a quarter of an hour — by people just reading out their explanations of vote.

President. — There is nothing at all in the Rules of Procedure to prevent them from doing so.

Mr Pantazis (S). — *(GR)* Since the directive has not been formulated in a way that restricts to a minimum the possibilities for recourse to the amount of temporary work that, unfortunately still today, is a reality in most of the Member States, since its provisions do not protect working people from exploitation by parasitic firms providing temporary work, which act as middlemen between employers and workers and take advantage of the freedom of movement of working people in the Community to have at their disposal a reserve work force that moves about according to their requirements and thereby becomes the object of profiteering by the firms in question, and finally, since we consider that the institution of temporary work is a means whereby employers can escape

Pantazis

from their obligation to provide jobs by taking on permanent staff, for all these reasons the Greek Socialists will vote against the Patterson report. However, we hope that the Commission will come back with new proposals that serve the interests of working people in a better way.

Mr Cousté (DEP). — (FR) We have just heard the Commissioner responsible tell us that he needed time to work out the implications of the changes to his proposal for a directive that we have now made by our votes, which, it must be said, are in some cases mutually contradictory.

Our group, for its part, will abstain from voting on both the text of the directive and the motion for a resolution, because we do find that contradictions have set in and there is no clear view on this directive concerning temporary work, which — let us be clear on this — is '*travail temporaire*' in French. We even have this problem of the confusion between the words '*temporaire*' and '*intérimaire*'.

We have had an extremely interesting debate, demonstrating the extent to which it is difficult to harmonize this form of employment in Europe. Why should this be so? Because it is a very new, very recent form of employment, corresponding to certain needs in industry, commerce and services which are sometimes virtually unpredictable. Whereas we for our part are in favour of consultation with the workers and even workers' participation, I find it extraordinary that user undertakings should be required to consult their employees before taking on temporary workers, as has just been decided. When user undertakings resort to temporary personnel, it is because their workload has suddenly increased, or because they are short-staffed in a given department because of illness, something which is completely unforeseeable, and the idea contained in this directive and in the amendments which we have adopted, of prior consultation of the employer's permanent staff and the unions is an absurdity. Consultation after the event I can understand, since it is clearly necessary to involve the workers in an overall staff policy. I should like to congratulate Mr Patterson on his attempt at establishing a synthesis despite the difficulty presented by the differences of opinion between the Committee on Social Affairs and Employment, the Legal Affairs Committee and the Committee of Inquiry into the Situation of Women in Europe respectively.

We shall be abstaining, especially since most of the amendments tabled by Mr Vié and myself have been rejected. We deeply regret it, but this directive is neither opportune nor in the interests of workers in Europe.

Mr Tuckman (ED). — We did not like this directive when it first came before us, but we were very anxious to work with the other groups in the House in order to see whether we could get something workable. Our view is that what has emerged is not so workable, therefore we shall vote against. Please note, we have made a very short unread speech.

Mr Hord (ED). — I can accept the need for some element of harmonization with regard to the cross-frontier supply of temporary workers, as contained in Section III of the Commission's document, but when it comes to the other Commission proposals on temporary work generally within the Community or within Member States, I must say that I totally reject this proposed interference by the Commission or the Community at large.

This House has been right to concern itself with the problems of unemployment, but this proposal on temporary work does nothing to provide one extra job. On the contrary, it is totally counterproductive and will lead to further unemployment.

(Protests from the Left)

It is time the Commission got off the backs of the providers of jobs — the employers — particularly with this and other part-time working proposals and proposals for changes in company law. These are nothing more than job-killers. They are proposals that should be withdrawn. They bring the Community into disrepute. For these reasons I shall vote against them.

Mr Peters (S). — (DE) The Socialist Group will vote for this directive and resolution, and the speech we have just heard explains why. We are at last making a move by stopping employers' antisocial practices in connection with labour subcontracting. This direc-

Peters

tive restricts such practices. It does not meet all our requirements but is nevertheless acceptable, especially the employers' obligation to inform the employees' representatives, and because the fixed-duration employment contracts have been kept. That is why we shall vote in favour.

(Applause)

Lord Harmar-Nicholls (ED). — We cannot all sit on every committee, and so we cannot know, as things develop, what they are likely to mean when they are all put together. I do not think we can all read all of the papers circulated to us arising from the decisions taken by these various committees. So what we have to do in Parliament — and in that respect this is no different from other parliaments — is to have faith in those members of our own group who are the experts and have enough confidence to follow their lead. And so they issue whips.

Now I was gaily going along with this and accepting the whip until I came to Amendment No 32. In this amendment I discover that I was being whipped to support this clause: 'the user undertaking shall be required to communicate either orally or in writing to the representative of the employees all pertinent information with regard to the reasons for having recourse to temporary workers'.

Now in addition to being a Member of this and other Parliaments, I do try to operate in business. One of my businesses has to do with hotels. The literal application of what my group asks me to support under a whip would be this. If the manager of one of our hotels had a sudden influx of guests and had to set on a temporary porter to deal with it, he could not do so without first of all fetching in all the shift-workers and getting their approval. That is nonsense! That is disruptive of the things we ought to be concentrating upon.

We want to encourage people to invest. We want to encourage people to take on the responsibility of managing companies and concerns in order to create wealth. If you are going to try to tell them in this detail how they have to run their show, you will not get their investment.

President. — Your speaking-time is over, Lord Harmar-Nicholls.

Mr Harris (ED). — I am most happy to follow Lord Harmar-Nicholls, because among the many letters I have had about this proposal are some from the hotel trade. They are absolutely horrified at the new sort of burdens which we should be putting on that trade, as indeed on many other small businesses. I really do think it is time for the Commission to stop and think before it imposes any more requirements on employers, and it is up to us, too, to stop and think before we endorse those requirements. It really is no good speaking in this Chamber in one part-session about the need to create jobs and then, in the next part-session or later, putting on additional burdens, additional requirements, additional legislation on employers. We must do this only when it is necessary.

These proposals are just another step towards bringing — as my friend, Mr Hord, said — the Commission into disrespect and disrepute throughout the Community. It is about time we said no to it. That is why I am going to vote against this proposal tonight.

(Cries of 'Hear, hear!')

Mrs De March (COM). — *(FR)* On a point of order, Mr President. As a Vice-President and a member of the Communist and Allies Group, I cannot allow Mr Rogers' invective against Mr Alavanos to pass, or his remarks on the form in which each Member chooses to present an explanation of vote. Rule 80 of the Rules of Procedure deals with explanations of vote, and nothing in it indicates that they must be given orally, that they must be unwritten or simply spoken. I therefore take exception to any interference with a Member's right to express himself as he sees fit in this House. Mr Alavanos was just as entitled to read his text as other Members, from the Socialist or other groups. This behaviour must stop, for it is damaging, especially when aimed at Members newly arrived in the House.

Mr Alavanos (COM). — *(GR)* Mr President, my colleague Mme De March has anticipated me fully in her own speech. However, I would have thought that the Presidency should take up a position in this matter, and I would like to say to our two colleagues, who unfortunately belong to the Socialist Group, that we are not disposed to give up one iota of our rights concerning either what we say or how we say it. If Mr von der Vring doesn't like it, let him switch the interpretation to Greek or to Danish, because we too are fed up with his repeated interventions on procedural matters, but we never asked that he should not be allowed to speak.

President. — Mr Alavanos, the Chair cannot allow any Member of this Assembly to be insulted. Mr Rogers made a remark, to which I replied that reading a text was allowed by the Rules. On your behalf, Mrs De March put a very good defence, as women always do. The incident is closed.

ANNEX II

I. QUESTIONS TO THE COUNCIL

Question No 8 by Mr Israël (H-155/83)

Subject : Setting-up of a monetary guarantee fund

What would the Council's response be if the Commission were to propose the setting-up of a guarantee fund designed to maintain a stable dollar rate in Europe by means of effective intervention on the foreign exchange markets ?

Answer

The Council has not received any proposal from the Commission on the lines of that referred to by the Honourable Member.

* * *

Question No 10, by Mr O'Donnell (H-199/83)

Subject : European Regional Development Fund

What are the reasons for the delay in approving the new guidelines for the ERDF, and when is a decision likely to be reached ?

Answer

The Council examined in detail the question of revising the ERDF Regulation at its meetings on 25 April, 25 May and 21 June 1983.

At these meetings the prospects for an agreement gradually became clear.

As I said when the Greek Presidency's programme was submitted, it is considered most important that discussions on the reform of the Regional Fund should be continued and concluded in order that Fund action can be concentrated in an effective manner on the priority needs of the least-favoured regions, in accordance with an approach agreed by all delegations. At the same time the six Regulations of the second 'non-quota' series will be examined with a view to adopting them as soon as possible.

In this connection it should be noted that the European Council has just instructed the Commission to prepare for 1 August 1983 a report and, if need be, appropriate proposals to improve the effectiveness of the Community's structural funds.

* * *

Question No 15 by Mrs Squarzialupi (H-224/83)

Subject : Residence permits for Italian workers in Germany

Can the Council say whether the decision by certain regional governments in Germany (this has occurred in the region of Nuremberg in particular) to grant only a three-month extension to unemployed Italian workers applying for the renewal of their residence permits, is consistent with the principle of the free movement of workers in the countries of the European Community ?

Answer

The rights of workers who are nationals of the Member States and of members of their families as regards freedom of movement within the Community derive from Article 48 of the EEC Treaty and are the subject of Regulation (EEC) No 1612/68 and Council Directive 68/360/EEC.

It is the responsibility of the Commission to ensure that the provisions of the Treaty and the measures taken by the Institutions in pursuance thereof are implemented.

* * *

Question No 16 by Mr Alavanos (H-240/83)

Subject : The problem of Greek dried grape production

With the proposals from the Commission of the European Communities to the Council amending Regulation (EEC) No 516/77, the Commission is in essence depriving Greek dried grape producers of acquired rights, abolishing State-organized concentration and intervention prices, imposing production quotas, etc. What measures does the Council intend to take in response to the Commission's proposals, which affect the rights of Greek producers ?

Answer

1. The Commission's proposals on this subject were placed before the Agriculture Council on 23 March 1983. The Council immediately decided to consult the European Parliament and the Economic and Social Committee on these proposals. To date the European Parliament has not delivered its Opinion.

Taking into account the requirements and urgency of the situation, the Council is now making a preliminary examination of the technical problems raised by the whole set of proposals. At a forthcoming Council meeting all the problems will be discussed at political level. In view of the difficulties, it is possible that the discussions may continue into the second half of 1983.

2. This being the case, the Council is for the time being unable to comment on the substance of the report or of the Commission proposals. Nevertheless, the ideas developed by the Commission in its report are not confined to the sectoral or regional aspects of the arrangements governing processed fruit and vegetables, but also concern the adjustments which the Commission would like to be made to the actual rules in force in this sector, on the basis of experience acquired since Regulation No 516/77 was first applied in 1977, and with all due regard for the principles of Article 39 of the Treaty.

* * *

Question No 17 by Mr Ephremidis (H-241/83)

Subject : Worsening trade balance between Greece and the EEC

In the first two years after Greece's accession (1981 and 1982), the Greece-EEC trade balance deteriorated by a figure many times greater than that of Greece's net profit from financing by the Community budget.

What measures does the Council intend to take to tackle this worsening trade balance between Greece and the EEC ?

Answer

The Council is aware of the economic and social problems confronting Greece and of the difficulties caused by these problems in the process of integrating Greece into the European Communities. At its meeting in Stuttgart the European Council agreed that the Community should play its part in helping to overcome these difficulties.

It was pleased that the Commission intended shortly to submit specific proposals in various sectors to supplement its earlier proposals. It asked the Council to examine these proposals together with their financial implications so that concrete decisions could be reached before the next European Council.

The specific proposals are thus awaited and work will accordingly begin and continue under the Greek Presidency.

* * *

Question No 19, by Mr Pearce (H-251/83)

Subject: Public meetings of the Council

In view of the increased influence that the Council has acquired over the years at the expense of the Commission, will it now consider having its meetings held in public and, if not, what arguments for this refusal can it advance which would hold water in a modern, free and democratic society?

Answer

Under Article 3 of the Council's rules of procedure, 'meetings of the Council shall not be public, unless the Council ... decides otherwise'.

With regard to the reasons why its meetings are not public, the Council would remind the honourable Member of the position it adopted in reply in Question No 0-106/77 put by Mr Corrie:

'The Council's proceedings, even where they concern areas which would fall within the scope of the legislative bodies in our Member States, cannot be viewed in the same way as parliamentary proceedings. They consist of negotiations in which, in order to reach agreement, even in the case of decisions which require a majority, Member States have to be prepared to make all the efforts necessary to achieve a convergence of positions. If Council meetings and the opinions and votes of the Member States were made public our individual Member States would often find it difficult to make the concessions which have to be made for the adoption of most of the decisions which the Council has to take. On the other hand, it is essential for democratic control that the Commission proposals and the Council's final decisions are published.'

* * *

II. QUESTIONS TO THE FOREIGN MINISTERS

Question No 26 by Mr Habsburg (H-176/83)

Subject: Situation in the Baltic states

Are the Foreign Ministers meeting in EPC aware that the general human rights situation in the Baltic states has in recent times palpably worsened, as for instance the Swedish Foreign Minister, Lennart Bodström, was forced to conclude, are they aware of the sentence imposed on three members of the Estonian Helsinki Group and do they share the view that it would be incumbent on the Community, as a signatory of the Helsinki Final Act, to take action on this matter, in accordance with the European Parliament resolution of 13 January 1983?¹

¹ OJ No C 42 of 14. 2. 1983, p. 74.

Answer

The Ten are aware of the sentencing of the three members of the Estonian Helsinki Group, namely Mr Mart Niklus, Mr Veljo Kalep and Mr Viktor Niitso.

Human rights developments in this region have been a cause of deep concern to the Ten who, where appropriate, have always insisted that the provisions of the Helsinki Final Act be respected.

* * *

Question No 27 by Mr Bettiza (H-177/83)

Subject: Withdrawal of foreign forces from the Lebanon

A short time ago, the Lebanese Foreign Minister, Elias Salem, visited the Community capitals in an attempt to persuade the governments of the Ten to use their influence over Syria to secure the withdrawal of that country's forces from the occupied territories, as an essential precondition for the restoration of Lebanese sovereignty over the entire national territory; what action has been taken on this initiative by the Foreign Ministers meeting in Political Cooperation?

Answer

The Ten are continuing to follow the situation in the Lebanon with great anxiety. The tension in that country undoubtedly shows no sign of lessening as yet. The agreement between Israel and the Lebanon is one step towards a solution of the problems the Lebanese Government is faced with. Other steps must follow if the desired outcome is to be achieved.

The Ten consider that the continuation of the present situation would threaten the unity and sovereignty of the Lebanon. In the light of this view the European Council, at its meeting in Stuttgart between 17-19 June, expressed its support for President Gemayel's efforts to restore the authority of the Lebanese Government over the entire national territory. In the belief that peace cannot become a reality without guarantees concerning the security and legitimate interests of all the countries and peoples of the region the Ten have declared their readiness to make use of all the means at their disposal in support of efforts by the parties concerned to find a broader-based agreement.

Finally, the Ten have made known their serious concern about the sufferings of the Palestinian population and have expressed the wish that the appropriate international organizations be allowed to minister to their needs without hindrance.

* * *

Question No 28 by Mr Lezzi (H-193/83)

Subject: African Security Conference

The Italian Foreign Minister has recently revived the proposal for an 'African Security Conference' which, as happened in Europe with the Helsinki Final Act, would, with the modifications necessary to take account of the actual situation in Africa, enable specific measures to be taken to preserve the security of African countries and to develop fruitful cooperation.

What action do the Foreign Ministers of the 10 Member States meeting in political cooperation plan to take to implement the Italian Minister's proposal?

Answer

This problem has not yet been discussed within the framework of EPC.

* * *

Question No 29, by Mrs Pruvot (H-195/83)

Subject : Boat people

What effective action do the Ministers believe is possible at European level to ensure that the Boat people, who have already suffered great hardship tribulation, find permanent homes?

Answer

The Ten consider that the problem of the refugees is a basic humanitarian issue and that it is the responsibility of the whole international community. In answering to this responsibility the countries of the Ten accept refugees in accordance with their national policies.

The Ten are participating in the efforts of the international organizations to relieve the hardship of these refugees who are in camps in south-east Asia. In this respect the Ten will continue their efforts to enable those living in the refugee camps to find a permanent home.

They will do whatever they can to facilitate the orderly departure of refugees from Vietnam so as to reduce the number of those who leave that country under the circumstances of which we are all aware.

The Ten will continue to study the problem and to work towards a political solution.

Finally, it should be pointed out that, in the joint statement issued on 4 March 1983 after the 4th European Community-ASEAN meeting in Bangkok, both sides expressed deep concern at the problem of the refugees and appealed to the international community to accept the principle of a fair distribution of the burden of resettling these refugees in third countries.

* * *

Question No 31, by Mr Penders (H-198/83)

Subject : Action on Parliament's resolution on Middle East

Following the Foreign Ministers' answer to my question H-34/83,¹ will they state what specific decisions they have taken in regard to Lebanon on

- the stationing in Beirut and other parts of the country of an international peace force in which the EEC Member States would participate, possibly to replace UNIFIL;
- the disbanding of the militias;
- the re-establishment of an effective Lebanese police force and Lebanese armed forces?

What offer has been made of Member State contingents for a peace-keeping force, possibly under UN auspices?

Answer

The Ten have not discussed the three specific points referred to in the question. They affirm their support for President Gemayel and his government and for every effort by the Lebanese Government to restore its sovereignty over the whole of Lebanese territory. The Ten have declared their readiness to play a part in solving the problems. More specifically, they support UNIFIL and the multi-national force in Beirut.

¹ Provisional edit on of debates, 18. 5. 1983, p. 215.

The Ten will continue to keep a very close watch on developments in the Lebanon. Their position on what action to call for with a view to finding a solution to the Lebanese problem will depend on future developments. The Ten believe that the signing of the Lebanese-Israeli agreement is a step towards a solution of the problems facing the Lebanese Government, but that other steps must follow on this.

I would remind you that at its recent meeting in Stuttgart the European Council stated that peace will become a reality only when the security and legitimate rights of all the other countries and peoples of the region are taken into account.

* * *

Question No 33, by Mr Denis (H-211/83)

Subject: South African aggression against Mozambique

In view of the renewed violent attacks on Mozambique by the apartheid regime in South Africa, in which a number of children and civilians lost their lives, do the Foreign Ministers not consider that it is now time to take concerted and effective action against the Pretoria regime, as called for in the resolutions adopted by the ACP/EEC Joint Committee in Kingston, Rome and Harare?

Answer

First of all I would like to remind you of the joint declaration by the Ten on 24 May this year expressing deep anxiety and disapproval over the use of violence by South Africa against Mozambique which has resulted in considerable loss of life. I underline the fact that the Ten categorically reject the use of violence to achieve political objectives and that they stress the need for peaceful change in South Africa. In addition they condemn every violation of the sovereignty and territorial integrity of the neighbouring States.

The Ten will continue to follow closely developments in southern Africa and will step up their efforts to use the influence they have with the South African Government to persuade it to refrain from actions which would seriously jeopardize peace and security in the region.

* * *

Question No 34, by Mrs Dury (H-236/83)

Subject: United States embargo on sugar purchases from Nicaragua

Since the United States has imposed an embargo on sugar purchases from Nicaragua, can the Foreign Ministers indicate whether measures are being envisaged to assist the latter country?

Answer

This problem has not been discussed within the framework of EPC.

III. QUESTIONS TO THE COMMISSION

Question No 42 by Mr Mouchel (H-72/83)

Subject: Difficulties in trade in cattle and meat sector products between Greece and its Community partners

Since January 1981 the Greek authorities have imposed a very much reduced profit margin on their cattle and meat dealers and have also been strictly controlling the granting of foreign exchange.

The combined effect of these two measures has been seriously to disrupt exports from Community countries to Greece in the cattle and meat sector and to put the Greek importer in a very precarious situation.

What is more, the Greek authorities have recently imposed stamp duty equal to 3.6% on imports of cattle and meat sector products, which is tantamount to an import tax.

Could the European Commission indicate what measures have been taken to get these obstacles to free trade abolished?

Answer

Following the difficulties experienced in trade in cattle and meat sector products between Greece and its Community partners, the Commission has on several occasions warned the Greek authorities of the limitations placed on their action by Community law.

The answers so far received from Greece do not as yet enable the Commission to take up a position on the 3.5% stamp tax. However, the Commission has decided to initiate infringement procedures in respect to the controls on maximum import prices by means of controls on the granting of foreign exchange and the ceiling on the profit margin of wholesale meat dealers.

* * *

Question No 43, by Mr Ansquer (H-130/83)¹

Subject: Controls on imports into the EEC of cut flowers from third countries

Large quantities of the cut flowers imported at low prices on to the French market, particularly from the Netherlands which accounts for 90% of French imports, actually come from outside the Community, e.g. from Latin America.

In view of the difficulties facing the horticultural industry, particularly in the Mediterranean regions, can the Commission indicate whether current Community regulations allow for controls on the origin of cut flowers imported into the EEC and whether it will take the necessary steps to rectify the distortions of competition and the deflection of trade caused by these imports, which have serious consequences for producers?

Question No 84, by Mrs De March (H-249/83)

Subject: Community regulations on flowers

The European Community takes 40% of world imports of cut flowers and imports from third countries have risen at an annual rate of 30% in recent years. Growers in my region are directly penalized by these imports against which they enjoy no protection.

Does the Commission intend to propose a new Community regulation on flowers in order to improve the organization of the market and provide better protection against imports?

Common Answer

The regulation currently in force (Commission Regulation (EEC) No 3353/75 of 23 December 1975) instituting a Community surveillance of imports of certain live plants and floricultural products originating in various countries¹, amended finally by Regulation (EEC) No 3398/82² permits the control of the origin of cut flower imports, in particular carnations and roses, especially from Latin America.

In any event, imports into the Netherlands of flowers from third countries with a view to re-sale in other Member States does not constitute a deflection of trade. In fact, where the Member State has paid the appropriate duty on the imported flowers, these are admitted to free circulation and can be the subject of trade throughout the Community on the same basis as Community products.

¹ OJ No L 330, 24. 12. 1975, p. 29.

² OJ No L 357, 18. 12. 1982, p. 12.

It should be noted, moreover, that since 1981 there has been a certain degree of stability in imports of cut flowers :

Imports in 1 000 ECU ¹

1980	154 609
1981	155 512
1982	154 063 (provisional figures)

The Commission is aware of the situation arising from the import of flowers from third countries. The problem is currently being studied in depth by my services to see whether it would be appropriate to increase the protection for Community cut flowers *vis-à-vis* competition from third countries and, if so, what means should be taken to this end.

Question No 47, by Mr Pintat (H-171/83)

Subject : Duty-free imports of petroleum products

Can the Commission confirm that the quotas for duty-free imports of refined petroleum products from outside the Community have been flagrantly exceeded without the corresponding taxes being levied : in the event of this practice become established other than to safeguard supplies in exceptional circumstances, would it not be proper to consider such duty-free purchases as prejudicial to the continuing existence of an independent and competitive European refining industry ?

Answer

I. There are three types of exception to the levy of common external tariff duties on imports of petroleum products into the Community :

- 1) *Imports of products intended for specific treatment in a refinery or chemical processing.* This exception is justified by the need to ensure the international competitiveness of the industry using these products ;
- 2) *Imports from countries with which the Community has concluded cooperation agreements.* Only the application of safeguard clauses written into these agreements permits the reintroduction of duties ;
- 3) *Importations from countries benefiting from the system of generalized preferences (SGP) to which the Honourable Member's question seems to be addressed.* The customs exemption for these imports is a unilateral concession granted on an annual basis by the Community to developing countries. A zero-duty tariff ceiling is fixed each year for the three principal categories of products (light, medium and heavy oils) and the Member States or the Commission can request the re-introduction of customs tariffs once the imports attain or exceed the ceiling level. Until 1980 this ceiling was fixed globally in physical quantities for each of the three categories. Since 1981 an individual ceiling, setting an identical tonnage for each of the beneficiary countries, has been fixed according to country of origin.

The Commission informs the Member States on a continuous basis of the changes in imports from countries benefiting from the SGP.

II. The last time tariffs were imposed was in 1978, when the tariff quota ceiling was exceeded for certain products (8 July for light oils and 8 August for heavy oils). Since then no request for reimposition has been submitted by the Member States although the global and individual ceilings for certain countries have been exceeded each year for one or more categories of products.

¹ Source : Eurostat.

III. The sharp rise in imports of petroleum products from countries benefiting from the SGP, observed in 1979 and particularly in 1980, has been replaced by a significant drop in 1981 and a stabilization in 1982 :

Year	1978	1979	1980	1981	1982
Quantities (all products in million tonnes)	5.3	7.5	13.5	11.1	11.2

Last year most excesses occurred in the case of heavy oils ;

IV. Imports of petroleum products under SGP as a whole in 1982 only represented some 2.5 % of Community oil consumption. In view of the changes which have taken place since 1980 they do not appear to represent a very serious threat to the refining industry.

It should, however, be pointed out in more general terms that net imports of petroleum products from third countries have been increasing in recent years and that this trend could cause problems.

In a communication on the problems of the refining industry which it forwarded some days ago to the Council (and which it hopes Parliament will be able to debate) the Commission expressed its firm intention of monitoring closely the general trend of petroleum products imports (see COM(83) 304). It will take whatever steps appear necessary as circumstances dictate.

* * *

Question No 50, by Mr Balfe (H-149/83)

Subject : Equal pay Directive 117/75¹

Is the Commission aware of the new draft order to implement equal pay for work of equal value, has HMG consulted the Commission regarding its adequacy in terms of the equal pay directive and what is the view of the Commission regarding the draft order's conformity with the directive and in terms of improving the chances for women in Britain to pursue their right to equal pay for work of equal value ?

Answer

The Commission was aware of the draft order by which the United Kingdom had proposed to implement equal pay for work of equal value following the judgment of the European Court of Justice on 6 July 1982.

As the honourable Member will no doubt be aware, the Secretary of State for Employment has announced that, following consultations with interested parties, he proposes to make certain changes to the draft order, namely :

1. That the regulations should come into force on 1 January 1984 ;
2. That a woman claiming equal pay under the arrangements introduced by the new draft order would no longer have the burden of proving her case ;
3. That a woman may now make a claim for equal pay for work of equal value even if her job is covered by a job classification system.

¹ OJ No L 45, 19. 2. 1975, p. 19.

The Commission welcomes these changes since it shared some of the misgivings expressed about the original text. The Secretary of State for Employment was aware of our views. I understand that a new draft order is to be tabled very soon and I would only express the Commission's hope that this will be clearly and simply drafted so that it is readily understandable to the individuals whose rights it concerns.

* * *

Question No 53, by Mr Bagh (H-181/83)

Subject: EPC and the Council of Ministers

Will the Commission explain what steps will be taken at future meetings of the Council of Ministers, the European Council, Coreper and working parties to ensure that EPC matters

- do not appear on the same agenda as matters coming under the Treaties
- are not discussed together with Treaty matters
- are not prepared together with Treaty matters
- are not financed in whole or in part out of the EC budget?

Answer

The organization of the work of the European Council, the Council and its bodies is the responsibility of the Council and not of the Commission.

* * *

Question No 54, by Mrs Hammerich (H-183/83)

Subject: Economic aspects of security policy

Will the Commission give a specific and detailed account of how the concept of 'the political and economic aspects of security policy' differs from other aspects of security and military policy, and will the Commission confirm, in particular, that the following matters fall outside the economic and political aspects of security:

- arms production
- the arms trade
- the establishment of an arms agency
- matters dealt with in NATO
- matters which may affect Irish neutrality
- studies of defence problems
- nuclear missile deployment
- civil defence
- coastal surveillance?

Answer

The words quoted by the Honourable Member appear in the Solemn Declaration which the Heads of State and Government signed on 19 June 1983 in Stuttgart. It is primarily for them to comment or interpret the terms of the Declaration.

* * *

Question No 56, by Mr Marshall (H-168/83)

Subject : State subsidies to SEITA

What is the amount of subsidy paid to SEITA by the French Government during the past three fiscal years? As the French industry has to compete with other Community manufacturers of cigarettes, are these subsidies not a distortion of competition? What steps does the Commission intend to take to ensure that competition is fair between all Community manufacturers?

Answer

The Commission wishes to reaffirm the principle that any subsidies granted by the French Government to SEITA would naturally be such as to constitute a distortion of competition within the meaning of Article 92 et seq. of the EEC Treaty which refer to aid.

However, in reply to a request by the Commission, the French Government has assured it that no aids or subsidies have been paid to SEITA. In fact it stated that, on the contrary, this monopoly made considerable losses during recent financial years which have resulted in a appreciable reduction in its capital. According to the French Government these losses were due to the particularly high number of retired employees — taken over from the former raw tobacco monopoly.

I should point out, furthermore, that the Commission has included the manufactured tobacco sector in the list of sectors currently under initial study in the context of the directive on 'transparency' (No 80/723/EEC). The information on this subject which the Member States have been asked to provide to the Commission as soon as possible will enable a more comprehensive assessment to be made of the situation in this sector, in particular with regard to the rules on aid.

* * *

Question No 57, by Mr O'Mahony (H-194/83)

Subject : Integrated operations in favour of Dublin

In view of the adoption by Parliament of the von der Vring report on integrated development operations,¹ what action will the Commission propose to implement the policies called for, particularly in relation to Dublin, as proposed in the Cluskey Resolution² on Community aid for Dublin?

Answer

Aware of the importance of integrated operations and of the major contribution that such operations can make to the less-favoured regions, the Commission proposes that, in the context of the review of the regulation establishing the European Regional Development Fund, priority should be given to investments in regions which are likely to benefit from integrated operations and that the Community, and also the national and local authorities, should contribute jointly and in a coherent manner to the development or the revival of these regions

The proposed measures will form a varied but coherent whole and the coordination of Community, national, local, public and private investment will be concentrated on one specific geographical regional. The Commission also proposes that these operations should receive aid from the Fund at a preferential rate of interest.

With regard to the Cluskey resolution concerning Community action in favour of Dublin, the Commission is perfectly willing to consider together with the Irish national and local authorities any proposal aimed at alleviating and improving the situation in Dublin.

¹ Doc. 1-104/83.

² Doc. 1-953/81.

This consultation could take place within the framework either of an integrated operation in favour of this region or of existing aid, depending on the nature of the proposals submitted. It will be up to the Commission and the national authorities to decide which approach is the most suitable and offers the most potential benefits, given the difficult problems with which the city of Dublin has to contend.

Question No 58, by Mr Clinton (H-232/83)

Subject : Milk marketing boards

Can the Commission please say if the United Kingdom milk marketing boards charge or apply different prices for milk on the basis of the destination of the resulting products, e.g. sale on the domestic market, intervention or export and whether the Commission considers this practice to be contrary to the rules of the common market organization in milk and the rules governing these boards?

Answer

The milk marketing boards in the United Kingdom do apply different prices as suggested by the Honourable Member. The Commission considers that certain prices applied constitute an obstacle to the normal functioning of the common market organization and aid systems.

Consequently the Commission is taking the appropriate action, in accordance with Article 169 of the Treaty, to ensure that the rules laid down in Commission Regulation (EEC) No 1565/79, governing certain milk producer organizations in the United Kingdom, are applied.

* * *

Question No 59, by Mr Kirk (H-185/83)

Subject : Customs duty on plywood for packaging

Is the Commission aware that the Community packaging industry needs to be put on an equal footing, from the competition point of view, as regards the use of plywood for packaging, given that, for example, Swedish packaging producers are able to import packaging plywood from third countries (mainly Eastern European) at a rate of duty of only 2.7% and can sell it on to the EEC area duty-free, whereas direct imports to the EC are subject to 11.5% duty, and will the Commission take steps to establish competitive equality, either by removing the duty on packaging plywood (which is not produced in the EC) altogether or by placing some kind of equalizing tax on imports from, for example, Sweden?

Answer

The Commission has recently noted that Swedish producers of packaging plywood are able to import beech or birch plywood from certain East European countries at a rate of duty of 2.5%. The packaging material produced from it can, under the existing free trade agreement, be imported duty-free from Sweden into the European Community.

The Commission is also aware that, on the other hand, Community manufacturers of similar packaging material must pay duty at 11.5% on imports of beech and birch plywood from Eastern European countries.

According to the manufacturing industry this type of plywood is not produced in the Community.

The Commission is examining whether competitive equality can be established between Swedish and Community plywood manufacturers where the import and use of beech and birch plywood is concerned. The Commission is also considering both existing Community plywood production as well as the possibility of duty-free plywood imports into the Community (from countries other than Eastern European countries).

* * *

Question No 61, by Mr Papaefstratiou (H-186/83)

Subject : Inordinate increase in transit charges for goods vehicles in Yugoslavia

What measures has the Commission taken or does it propose to take to deal with the problem created by the Yugoslavian Government's decision to almost triple transit charges for goods vehicles passing through that country, which is linked to the Community by a special agreement ?

Does not the Commission think that measures must be taken as a matter of urgency since this decision has severely adverse effects on the cost of transporting agricultural and other produce from Greece to other countries in the Community and *vice versa* ?

Question No 62, by Mr Kazazis (H-187/83)

Subject : Tripling of transit charges by Yugoslavia

On 14 March 1983, Yugoslavia arbitrarily decided to increase transit tax for goods vehicles and buses passing through its territory. In view of the fact that this increase will make Greek products even less competitive in the EEC and, in particular, will reduce trade between Greece and the Community, would the Commission state what measures it intends to take within the framework of the cooperation agreement between the EEC and Yugoslavia to contend with this abrupt and unacceptable increase in transit tax ?

Common Answer

After being informed of the very substantial increase in the road tax on foreign vehicles in Yugoslavia, applicable as from 14 May 1983, Commissioner Contogeorgis summoned the Yugoslav Ambassador in Brussels and complained about the very high and sudden increase, the short period of notice and the fact that it was applicable to foreign vehicles only. He requested him to explain the reasons for this action.

The Yugoslav Ambassador took note of these complaints and promised to inform the Commission of the reaction of his government.

A reply has not yet been received. The Commission will pursue this matter in collaboration with the appropriate Council bodies in an effort to arrive at solutions which reflect the spirit of the Cooperation Agreement with the Federal Republic of Yugoslavia.

* * *

Question No 63, by Mr Johnson (H-189/83)

Subject : Wild-life in the Kalahari region of Botswana

At its meeting of 17 December 1982 the Council resolved that the environmental impact of Community development policies should be a priority area of EEC concern. In this context is the Commission aware of the responsibility borne by the EEC for the present widescale destruction of wildlife in the Kalahari region of Botswana and will the Commission examine, in cooperation with the Botswana wildlife services, particularly the Kuke fence ?

Answer

The Commission is very much aware of the environmental implications of national and regional development policies, and in the case of Botswana has provided financial support for the preparation of land utilization programmes, and for staff training arrangements for the Botswana wildlife services. Moreover, under an EDF-financed regional project recently agreed with the Government of Botswana and Zimbabwe for the supply of vaccines to counter the effects of foot and mouth disease, specific provision has been made at the Commission's request for an annual review of the livestock programmes with particular reference to their effects on the welfare of wildlife.

Political responsibility for this question falls within the competence of the Botswana authorities, who decided originally during the colonial period to set up an extensive fencing system to protect their main cattle-producing areas against the spread of foot and mouth disease virus within the country.

At the same time the Botswana authorities, like the Commission, are aware of the environmental problems mentioned by the Honourable Member, and as has been indicated, it is the Commission's intention to review these problems with the government, and where feasible to help identify possible solutions.

* * *

Question No 64, by Mr Van Aerssen (H-190/83)

Subject : Procurement policy of Télédiffusion de France

In an official note the General Manager of Télédiffusion de France has recommended clearly and unequivocally that the procurement policy of TDF should be to consider French firms exclusively — in infringement of the EEC Treaty.

Does the Commission regard this attitude — of giving preference in all circumstances to French rather than foreign products including those from other Member States of the Community — as legal and if not, what steps does it intend to take to put a stop to such action ?

Answer

The Commission has received a complaint about a communication from the General Manager of Télédiffusion de France to his staff.

The Commission considers that this communication, which is intended to make the departments concerned give preference to French products, falls within the field of application of Article 30 of the EEC treaty.

The Commission has therefore decided, pursuant to Article 169 of the EEC Treaty, to bring an action against the French Government for infringement of an obligation under the Treaty.

* * *

Question No 65, by Mr Van Miert (H-191/83)

Subject : Starvation in Ghana

Is the Commission aware that persistent drought and extensive fire damage to crops in Ghana have made the problem of starvation still more acute, and does it propose to set up an emergency food aid programme (particularly grain and milk products) to alleviate, as a first step, the most pressing needs ?

Answer

The Commission is aware of the deterioration of the situation in Ghana due to the drought and the forest fires which have seriously affected the harvests in that country. The situation is made worse by the influx of repatriates from Nigeria.

The Commission therefore decided on 8 February 1983 to provide emergency food aid comprising 5 000 tonnes of cereals to be distributed through the World Food Programme and, on 25 April 1983, additional emergency food aid comprising 1 700 tonnes of cereals, 30 tonnes of dried fish and 45 tonnes of vegetable oil to be distributed through government organizations.

Question No 66, by Mr O'Donnell (H-200/83)

Subject : Unemployment in Ireland

In view of the serious and worsening unemployment situation in Ireland, especially among young people, and the urgent need to formulate and implement special employment-creating strategies at national and regional levels based on the development of the country's indigenous resources, would the Commission be prepared to give special assistance to the Irish authorities in formulating the necessary employment-creating strategies and, if so, what type of assistance.

Answer

The Commission is aware of the worsening employment situation in Ireland which dramatically affects people and shares the view that special employment-creating strategies, drawing on regional and local development potential are required.

The Commission has been active in setting policy guidelines in this respect, for example in the field of vocational training and the promotion of employment for young people. A specific communication on small-scale employment creation at local level is in preparation.

The Commission is always prepared to consider jointly with the national and local authorities in Ireland any proposals for the development and improvement of the situation in Ireland and examine the scope for financial assistance available at Community level, in particular within the context of the Social Fund and the Regional Development Fund. Assistance may for instance take the form of grants for investment and infrastructure projects, training and employment programmes, or in certain cases the financing of studies.

* * *

Question No 67, by Mr Lagakos (H-201/83)

Subject : Establishment of Community bodies in Member States of the EEC

Can the Commission state in which Member States Community bodies have already been established and whether it intends to propose that Community bodies be established in Greece and, if so, in what sector?

Answer

1. The working places of the Community institutions are : Brussels, Luxembourg and Strasbourg. In addition, the Commission maintains, like the European Parliament, press and information offices in the Member States. The Community research establishments are located in Belgium, Germany, Italy, the Netherlands and the United Kingdom. The European Investment Bank has its Head Office in Luxembourg. Furthermore, the Community has set up a centre for the development of vocational training as well as a foundation for the improvement of living and working conditions, whose headquarters are respectively in Germany and Ireland.

The European Patents Office is installed in Germany and the Netherlands. The European University Institute is located in Italy and the European Foundation in France.

2. It is not intended at present to set up further Community bodies or establishments, the headquarters of which could be sited outside the working places of the institutions.

Question No 68, by Mr Habsburg (H-203/83)

Subject : Distortions in East-West trade

In view of the statement by the Berlin Senate Director, Mr Günter Rexrodt, revealing one-sided preferential treatment in the importation of fuels from the GDR into Berlin for a company 'friendly towards the GDR', Rex-Handels-Gesellschaft Schulte-Frohlinde GmbH & Co. K.G., securing the firm millions in profits, the Commission is asked the following :

Does the Commission not consider such action to be a one-sided political distortion of competition, in breach of the letter and spirit of the Treaties of Rome, and is it prepared to submit proposals to effectively counter the distortions arising from the monopolistic structure of the Comecon states ?

Answer

1. The Commission has no knowledge of the statement referred to by the Honourable Member.
2. Insofar as the question is concerned with the legal and competitive consequences of the existence of the special ties of various undertakings with State-trading countries, the Commission wishes to reassure the Honourable Member that such undertakings are, like any other establishment, subject to Community or national legal rules, including the rules of competition.
3. Finally, as regards imports from countries with centrally-planned economies and which have a monopoly on foreign trade, it is precisely such specific features as those mentioned by the Honourable Member which have led to the special regimes for imports from those countries.

* * *

Question No 69, by Mr Megahy (H-208/83)

Subject : Workers participations and consultations

Will President Thorn please state whether there is any evidence that Commissioner Andriessen attempted to amend the fifth company directive on workers' participation in the interests of the Anglo-Dutch multinationals Unilever and Royal Dutch Shell, as claimed in the Financial Times of 20 April 1983, or that Commission Vice-President Tugendhat advised the Confederation of British Industry to lobby Commission Vice-President Ortoli and Commissioners Narjes and Andriessen as likely opponents of the Vredeling Directive on worker consultation, as suggested in the Multinational Service Fortnightly of 17 May 1983 ?

Answer

As I have already indicated in my letter to the Honourable Member on 11 May, the proposed fifth directive, as well as the Commission's revised proposal for consultation of workers, deal with matters of a complex and technical nature which have required extensive examination and consideration by the competent departments of the Commission. In the course of the preparation of its proposals — and in accordance with its normal practice — the Commission has also taken oral and written evidence from all major interested groups who would be affected by the proposed legislation and especially employers' and employees' organizations.

With respect to the press comments referred to by the Honourable Member, it is not Commission policy to comment on press speculation about its internal discussions.

I would repeat that it is Commission policy to consult the full spectrum of interests affected by proposed legislation, and insofar as any organization does not feel it has been adequately consulted, then the Commission would naturally invite it to make contacts with the most appropriate Commissioners.

* * *

Question No 70, by Mr Denis (H-210/83)

Subject : Reduction in American sugar purchases from Nicaragua

What position does the Community intend to adopt within GATT in respect of the dispute between Nicaragua and the United States over the recent 90 % reduction in sugar purchases by the American Government, which is in violation of the GATT general agreements and in particular runs counter to the efforts made by the Community in granting aid to Nicaragua to assist its development? In particular, does it intend to oppose the American practice of using trade relations as a political weapon against a developing country?

Answer

The decision by the United States to reduce from 1 October 1983 its purchases of Nicaraguan sugar from 58 000 tonnes to 6 000 tonnes was raised by Nicaragua at the meeting of the GATT Council of 25 May 1983; the United States has accepted the request of the Nicaraguan Government to hold consultations under the provisions of Article XXIII-1 of GATT.

The Community is awaiting the outcome of these consultations. In the event that these consultations do not lead to a solution, the GATT Council could return to the question. As a contracting Party to GATT, the Community supports the action of this body and is anxious that its rules be observed.

Question No 72, by Mr Konrad Schön (H-213/83)

Subject : Community policy in Nicaragua

In his reply to Mr Habsburg,¹ Mr Haferkamp, Vice-President of the Commission, failed to answer the question asking whether the Community did not also have any humanitarian projects in Nicaragua. I put this question again : does the Community not have any humanitarian programmes in Nicaragua?

Answer

The EEC grants to Nicaragua, as to the rest of Central America, on the one hand emergency or food aid distributed to needy sections of the population and, on the other hand, aid to agricultural development benefiting the poorest farmers (notably aid programmes for cooperatives and agrarian reform). These aids together contribute to the struggle, considered of priority importance by the Commission, against hunger and destitution. Implementation of these aids is proceeding in a perfectly satisfactory manner and is being monitored.

Question No 74, by Mr Rogalla (H-226/83)²

Subject : Checks at internal frontiers

Can the Commission state what position has been reached in the deliberations on the Commission's proposal for a resolution on the simplification of checks at internal frontiers and, in so doing, indicate the main subjects of contention, say which national delegations have expressed what reservations and state what procedures have been or remain to be completed (at negotiating, expert, Coreper, Council level, etc.) and when will the negotiations as a whole be completed?

¹ Verbatim Report of Proceedings, 8 June 1983 (Provisional edition)

² Former written question No 599/83 converted into a question for Question Time.

Answer

1. The present position in the deliberations on the Commission's proposal for a resolution on the simplification of personal checks at the Community's internal frontiers is as follows :

On 10 March 1982 the Council began its deliberations in a working party. A second meeting was held on 27 April 1983. The Commission proposal was discussed at length. The German Presidency submitted an interim report to the Committee of Permanent Representatives, which debated it on 29 June.

2. Amongst the various points under discussion, the main points that gave rise to some reservations were two issues that are central to the Commission proposal :
 - the carrying out of spot checks rather than systematic checks on travellers who can prove by means of a European passport that they are citizens of a Member State, and
 - the setting up of special frontier checkpoints for Member State citizens in major ports and airports, as has been done already with success in many airports.

In spite of severe criticism the Commission stands over its proposal.

3. As far as the position taken up by the various national delegations on the various parts of our proposal is concerned, on which the honourable Member asked for some information, I would ask you to realize that I cannot breach the confidentiality of the Council's proceedings here in the European Parliament. I would submit that this is a question that should be addressed to the Council.
4. It is difficult to give a date by which the deliberations will have been completed. The Commission hopes that the Council will adopt this resolution as quickly as possible.

* * *

Question No 75, by Mr Fernandez (H-214/83)

Subject : Agricultural consultative committees

In its answer to my Written Question No 1377/82 of 7 January 1983¹ the Commission agreed that it attached 'great importance to the establishment of effective cooperation with those working in all the sectors covered by the common agricultural policy'.

Its recent decision to suspend the meetings of the agricultural consultative committees until further notice is in total contradiction with this statement of principle.

Is the Commission prepared to revoke this unjustified decision and continue to consult representatives of the trades and professions concerned ?

Answer

The Commission confirms its interest in seeing the establishment of effective consultation with professional circles in all the sectors concerned with the ACP.

The present situation stems from a decision to block part of the funds earmarked for this purpose in the Commission budget.

Work is in progress within the Committee on Budgetary Control, which referred an interim report on this matter to the plenary session of Parliament, as a result of which it has been decided inter-alia on the total release of the appropriations entered under Chapter 100. In the event of a favourable vote on this proposal, the problems raised by your question would be resolved for the current financial year.

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¹ OJ No C 34, 7. 2. 1983, p. 10.

Question No 76, by Mrs Poirier (H-215/83)

Subject : Fertilizer prices

Workers in undertakings manufacturing fertilizers have taken protest action against fertilizer imports which constitute unfair competition to French fertilizers.

The gas prices charged by the Netherlands to producers of nitrogenous fertilizers (reduced by 30 %) are largely responsible for this situation.

Is the Commission aware of this situation and is it prepared to take action, if necessary by referring the matter to the Court of Justice, in order to restore normal conditions of competition ?

Answer

The prices paid by Dutch producers of amoniac for their gas feedstock has been the subject of official complaints from three Member States to the Commission within the last few weeks. The Commission is in the course of investigating these complaints, including contact with the relevant Dutch authorities. It is not in a position to say more at this stage.

* * *

Question No 78, by Mr Bettiza (H-220/83)

Subject : Organization for the geo-environmental study of land

In view of the serious damage to land caused by natural disasters, does the Commission think it would be advisable for local authorities to have at their disposal an organization for the geo-environmental study of land, run by specialized staff capable of providing scientific and technical advice on the fundamental choices concerning land use ? If so, will it initiate an exploratory study to take stock of the present situation and the possibility of extending the field of application of an organization of this kind ?

Answer

The Commission realizes that regional planning in areas particularly exposed to natural disasters is subject to serious difficulties. It is true that many regional bodies in the Community have acquired ample experience in the matter of natural disasters, but they seldom have staff of their own with the kind of specialized knowledge that would enable them to take adequate account of natural risks in taking their planning and policy decisions. It is very desirable that regional bodies in the area in question should have speedy access at all times to the kind of expert knowledge that would be required. Since it is the Member States, if not indeed the regional authorities, that are in principle responsible for matters of regional planning, the Commission can only make very limited funds available for this purpose.

In the course of work undertaken with a view to setting up in successive stages a system for disseminating information about environmental factors, a systematic procedure has been devised that should make it possible to detect those areas in the Community that are exposed to natural disasters, such as, for example, landslides or floods, and to estimate their relative seriousness.

In this connection I should like to refer to the proposal for a regulation establishing a Community scheme to provide forests in the Community with increased protection against fire and acid rain,¹ which the Commission has submitted to the Council and which it hopes will soon be adopted. This proposal provides for emergency measures aimed at helping the local authorities concerned to forestall large-scale conflagrations and, where they occur, to limit the havoc wreaked by them ; the proposal covers much the same ground therefore as the question raised by the honourable Member.

¹ COM(83) 375 final.

With regard to the suggestion made by the honourable Member that local authorities should have at their disposal an organization to give technical and scientific assistance with a view to improved land use in the areas exposed to natural disasters, the Commission undoubtedly considers all national or local initiatives of this kind to be both useful and sensible. Since, however, powers in the matter of regional planning within the Community are largely decentralized, and rightly so, the Commission does not intend to recommend that such an organization be set up.

* * *

Question No 79, by Mrs Squarcialupi (H-223/83)

Subject: Residence permit for Italian workers in the Federal Republic of Germany

Can the Commission say whether it is compatible with the principles of freedom of movement in the countries of the European Community for some regional governments in the Federal Republic of Germany (cases have been reported in particular from the Nuremberg area) to grant extensions of residence permits for 3 months only when unemployed Italian workers apply for the renewal of their permits?

Answer

National legislation in the matter of residence permits is in all Member States in conformity with the relevant Community law, Council Directive 68/360. Where difficulties arise, therefore, for citizens of one Member State employed in another Member State, when it comes to the issue or renewal of residence permits — and the Commission is aware that such difficulties do indeed occur — it is as a result of local administrative practices. These difficulties most often arise when the local authority fears that the job held by a migrant worker is insufficiently paid or insufficiently secure, with the risk that the worker might find himself in a situation where he will require financial aid.

The Commission strongly condemns any practices which fall short of the requirements of Articles 6 and 7 of Directive 68/360 which are very clear in this matter. Each time a complaint is brought to the Commission's notice, it always draws it to the attention of the responsible authorities, and it is our experience that the question is generally settled satisfactorily. The Commission is ready to examine any particular case the Honourable Member may wish to raise.

* * *

Question No 81, by Mr Normanton (H-234/83)

Subject: Energy investment in the developing countries

What steps does the Commission intend to take to give special attention to the flow of resources, particularly official development assistance, for energy production in the developing countries, in the light of the decision reached on this matter at the Williamsburg Summit?

Answer

The joint declaration of 30 May 1983 by the Williamsburg Summit called, among other agreed objectives, for particular attention to be given to aid for the production of commodities and energy in the poorest countries. During the press conference that followed the presentation of the joint declaration, President Thorn underlined that once again the industrialized nations had acknowledged their joint responsibility towards the developing

countries and the need to honour these obligations. The Commission has already expressed the view, in the context of the discussions on the memorandum on the political development of the Community, that certain developing countries possess energy resources which in many cases are insufficiently developed and which could help partially to cover their own energy needs or even to provide the industrialized world with new energy resources.

By virtue of its special links with a large number of developing countries the Community has already assisted a large number of energy and related projects, particularly under the auspices of the Lomé Convention through the European Development Fund and the European Investment Bank. The Commission proposes that this cooperation should be developed further in the future.

* * *

Question No 85, by Mr Pearce (H-250/83)

Subject: European trade marks office

Does the Commission agree that, in the bids for the proposed European trade marks office to be located in one or other of the Member States, the Member States that propose candidate cities in less favoured areas, i.e. in areas where regional development policies are being pursued, will, other things being equal, stand a better chance of success in their application than Member States which propose cities which have no need of regional aid?

Answer

The Commission believes that a number of factors should be taken into account in selecting a site for the future Trade Mark Office of the European Communities. Firstly, the site must have an adequate infrastructure providing rapid, efficient communication with all parts of the Community and there must be facilities for accommodating the expected staff of about 200 people without undue problems. Account will also have to be taken of clauses concerning the distribution of sites in earlier Community decisions on other institutions.

The Commission would hesitate to make regional policy considerations instrumental factors in the selection of the site.

It would also recall the views expressed by the Committee on Regional Policy and Regional Planning of the European Parliament, which stated in its opinion for the Political Affairs Committee on the Community Trade Mark Office 'As regards the seat of the Community Trade Mark Office in particular, the overall objectives of regional policy and planning scarcely seem likely to arise'.

However, the Commission does not take this to mean a rejection in principle of sites outside the capitals of the Member States.

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Question No 86, by Mr Tyrrell (H-258/83)

Subject: Selected distribution agreements.

In view of the Commission's long-standing policy of prohibiting distribution agreements which distort competition by restricting parallel imports, recently upheld in unequivocal

terms by the European Court of Justice in the Pioneer case, will the Commission explain why it intends to give exemption from EEC competition rules for the selective distribution agreements of SABA ¹, which will have this effect?

Answer

With the extension of the exemption of the SABA sales system from the cartel ban, as published in the Official Journal, the Commission is continuing its policy regarding the selective distribution system, as set out in the Ninth Report on Competition Policy (point 5). In themselves, such systems are not such as to prevent parallel imports, since all recognized distributors are free to supply other distributors and consumers throughout the Community. One direct consequence of the selective distribution system is, however, that the manufacturer can ban distribution to non-recognized dealers.

The Court of Justice has in various judgments reaffirmed that such distribution systems may be compatible with the competition rules contained in the Treaty. In contrast to this, the Pioneer case referred to coordinated practices to stop parallel imports. The problem of selective distribution was not brought up in this case.

¹ OJ No C 140, 28. 5. 1983

SITTING OF THURSDAY, 7 JULY 1983

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IN THE CHAIR : MRS DE MARCH

Vice-President

(The sitting was opened at 10 a.m.)

1. *Approval of the minutes*

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

Are there any comments ?

Mr Sieglerschmidt (S).— *(DE)* Madam President, I should like to raise a point of order. Yesterday I found in my pigeon hole a motion for a resolution — Doc. 1-569/83 — tabled by the President on behalf of the enlarged Bureau — I am sorry, Madam President, the number is in fact Doc. 1-566/83 — with a request for a topical and urgent debate in accordance with Rule 48 of the Rules of Procedure.

I assume that this motion has the support of 21 Members, but even then it is odd in a few respects. Apart from the fact that the Community's Election Act dates from 20 September 1976 and not 22 September, I should like to ask whether it is a motion under Rule 48 for inclusion in a debate in the September part-session. That would perhaps be possible. But in this part-session it is not possible to vote on this motion under Rule 48 since it has not been included in the procedure in accordance with Rule 48.

However, if an error has been made and this motion has been tabled under Rule 47 of the Rules of Procedure, I would ask you to inform the House of the committee or committees to which this important motion has been referred by the Bureau, since this is in any case necessary under Rule 47.

(Applause)

President. — Mr Sieglerschmidt, the motion is a request which has been tabled for the amendment of the agenda with a view to setting up two committees, and the timetable.

Mr Sieglerschmidt (S). — *(DE)* No, Madam President, this is a different document. I apologize once again for quoting the wrong document number at first. I am referring to Document 1-566/83 instructing the enlarged Bureau to forward a proposal to the Council on the Statute of Members of the European Parliament.

I have no intention of speaking about the content of the motion but I simply think that in any case we cannot vote on this motion during this part-session under Rule 48 since it has not been included in the procedure under Rule 48. If, on the other hand, it is suppose to be a motion under Rule 47, we must know to which committees it is to be referred.

Mr Arndt (S). — *(DE)* Madam President, these two motions tabled by the President on behalf of the enlarged Bureau are on the agenda. The document before me, to which Mr Sieglerschmidt has just referred, reads :

Draft motion for a resolution tabled on behalf of the enlarged Bureau pursuant to Rule 47 of the Rules of Procedure.

Arndt

If this is indeed pursuant to Rule 47 — and the Bureau must tell us whether it means Rule 47 or Rule 48 — then it is all right and the motion can be referred today to the committee responsible — probably the Committee on the Rules of Procedure and Petitions.

The enlarged Bureau decided yesterday that at 6 p.m. today a decision can be taken on setting up the special committee. I should like to object to this and ask the House to reject this motion ...

(Applause)

... for the following reasons. I have not yet received the documents relating to this motion. I have just had another look in my pigeon hole and have come straight here. I do not have this motion and so I was unable to discuss it in my group on the basis of the documents. I therefore request that this motion be postponed to the September part-session since the very least that a Member of this House is entitled to is the chance to see and examine documents before taking a decision so that he can discuss them with other Members of his group and possibly other colleagues. I therefore request on behalf of the Socialist Group that this item be removed from today's agenda and placed on the agenda for September. This will allow us enough time to familiarize ourselves with the documents, which I hope we shall have by then.

(Applause)

Mr von Bismarck (PPE). — *(DE)* Mr Arndt has already mentioned the important points regarding Document 1-569/83. My copy reads *pursuant to Rule 91 of the Rules of Procedure* — i.e. neither 47 nor 48. If the motion was tabled under Rule 47 — and this is the only way that this kind of motion can be tabled — the Bureau should have seen to it that, in accordance with Rule 59, the relevant texts were submitted 12 days before the part-session and were distributed 24 hours in advance. This text was not distributed 24 hours in advance, neither was the motion submitted 12 days before the part-session. The matter should therefore be rejected on the grounds of inadmissibility. Mr Arndt is quite right in requesting that this item be postponed to September. In the meantime we shall have time to think about who is to be involved. Is it really necessary to eliminate the Committee on Economic and Monetary Affairs? No justification for this is given, either according to the Committee's ability or that of the President. That would also be totally inadmissible if it is not examined beforehand.

I should like to make a further comment concerning the President. We have been given a copy of a public statement in which we are informed that this afternoon there is to be a press conference on the matter. We are to be informed at this conference who the rapporteur will be even though the Committee does

not even exist yet! What has happened here is grotesque! I ask the House to agree to Mr Arndt's request so that everything can be put right. The matter in itself is perfectly justified, but the procedure is unbelievable.

(Applause)

President. — Ladies and gentlemen, thus a very clear proposal has been made to postpone to the September part-session the debates and votes on the proposal concerning a special committee on economic recovery, tabled by Mr Arndt and the Socialist Group.

Sir Fred Catherwood (ED). — I would like to say that I very much sympathize with both what Mr Arndt has said and what Mr von Bismarck has said. As a prime mover in this, I would simply like to say that when the six committee chairmen of the six economic committees were given leave by the Bureau to commission two economists to report, we absolutely undertook that it would go back through the rules and through the normal committee procedure — this was an undertaking. It is to attempt to meet that undertaking that a proposal has now been made by the Bureau. Now this is entirely to accommodate the Rules of Procedure. If people do not want to do this in a hurry and leave it until September, then — of course, we want to get this off on the right footing — there is no reason why it should be taken now, it could perfectly well be taken in September. I personally would vote for it being taken now and, therefore, I vote against it. But, on the other hand, I have no wish to insist that colleagues take things in a hurry. It is much too important to do this without the full agreement of the House that this is the correct procedure to bring it back through the committees. So, though I personally will vote for doing so now, I would not want the House to do it unless they felt fully behind it — either Mr von Bismarck or Mr Arndt.

Ms Clwyd (S). — Madam President, I would like to support this proposal very forcefully. I think it is totally unfair that we should be asked to take a decision of this sort without looking at the document. I would also like to propose an amendment to this proposal and that is that the press conference which is scheduled for 3 o'clock this afternoon should also be postponed until Members of Parliament have had an opportunity to read this 128-page document which has been given to the press already but which no Member of Parliament, as far as I know, has seen — a report presented, it says, to the European Parliament and commissioned by the European Parliament. I think that this is a gross disregard of Members' rights and I would ask you as President to accept as a further amendment to the proposal that we defer the decision on setting up the extra committee until September.

Clwyd

But also we should ask the President of this Parliament to postpone the press conference until Members of Parliament have had an opportunity to read the report and can make their own comments at a future press conference.

(Applause)

President. — Ladies and gentlemen, let us discuss this important point somewhat more dispassionately. We shall now vote on the proposal by Mr Arndt to postpone to the September part-session the debate and vote on the proposal concerning a special committee on economic recovery.

(Parliament agreed to the request for postponement)

There is a second proposal on setting up a committee on a statute for Members of the European Parliament.

Mr Sieglerschmidt (S). — *(DE)* Madam President, before I refer to your question, I should like to ask whether this is a motion tabled under Rule 48 or under Rule 47.

President. — Under Rule 48, Mr Sieglerschmidt.

Mr Sieglerschmidt (S). — *(DE)* Then in my view the Chair must decide to deal with this matter in September since it would inadmissible to vote on it today because this motion has not been included in the normal procedure under Rule 48.

(Parliament agreed to the request for postponement)

Ms Clwyd (S). — Madam President, there is a third proposal, which I made to you a short time ago, and that was that we should also defer the press conference called for 3 o'clock this afternoon until Members of Parliament have seen this report. Now, I think that that is a basic right for each elected Member in this House, and that you, as President, should see that those rights are maintained and preserved. I would ask you please to put that proposal also to the Members of this House.

(Applause)

President. — Ms Clwyd, on behalf of the House, which demonstrated its support for your remark, I shall inform the President of what you said. But this press conference will be held by the President himself, and it will be up to him to decide.

Sir Fred Catherwood (ED). — We cannot put this in the name of the House because it has not been debated. Ann Clwyd has a perfectly valid point of view. There is another point of view, and that is that the document summarizing this has been available all through the week ...

(Cries of: 'Where?' — 'To whom?')

— the summary has, indeed it has — that this is something that the six committee chairmen have commis-

sioned and it is a public interest. I do not think that the President should be precluded from explaining to anyone who wants to know what the six committee chairmen have commissioned.

President. — We must finish the debate on this question, ladies and gentlemen. It is clear that if we have a right as Members of Parliament of this House, the President also has the right to hold a press conference, not on behalf of Parliament but on his own behalf. However, I shall inform him of your comments.

Miss Forster (ED). — Madam President, on a point of order. In the verbatim record of Monday's proceedings of this House, it was stated by Mr Moreau that the Commission had a new text for the directive on air tariffs and that it had been distributed. I must inform the House that this is not correct and that Mr Moreau and Mrs Desouches may have been misled. The fact is that the Commission has only prepared a discussion document for a technical committee which lists a series of options. It is no way a new text. The grounds for referring my report to committee were therefore totally wrong, and I ask, firstly, that the record be put right and, secondly, that my report be put back on the agenda for the September part-session so that this European Parliament can give its opinion on the directive.

(Applause)

President. — Miss Forster, we shall record your statement in the minutes of proceedings, and your comment will be acted upon.

Mr J. Moreau, Chairman of the Committee on Economic and Monetary Affairs. — *(FR)* Miss Forster, let us not play with words. Perhaps there is not a proper directive presented either to airline companies or airports, but you now the text in your hands. You know that it is a very complex text which we, as Members of Parliament, are supposed to debate without being familiar with it. For my part, I think that the least we can do is go back to the Committee on Economic Monetary Affairs so that you can put forward your comments on this text and so that the Commission can explain itself further, which it has, moreover, already undertaken to do. We have been working — and that is what we said on Monday — on a text which has already been amended by the Commission in that it actually puts forward other proposals. I am well aware that you may see it differently, but I think that Parliament voted on Monday to refer the matter to committee and that we should leave it at that. This would enable Parliament to adopt a position on the whole matter at a forthcoming plenary sitting.

President. — I propose that all these questions be dealt with in committee so that the very important debate on the steel industry can begin immediately.

Mr Welsh (ED). — Madam President, I would like to respond to what the chairman of the Committee on Economic and Monetary Affairs has said, because, with great respect to Mr Moreau, he has quite clearly misunderstood the status of this document. It says very clearly, 'Working document' ...

President. — Mr Welsh, the question has been debated. Let us not return to this problem. The committee will decide.

Mr Chanterie (PPE). — (NL) Madam President, would you like to inform the House if it is being decided to set up a new body in addition to the Bureau and the enlarged Bureau, namely a body made up of the six committee chairmen with the power to decide on a number of matters?

President. — This House decides on its own Rules of Procedure, its own management bodies, its own Bureau and the management of its committees. There will be other debates next year, when we shall have an opportunity to change things together.

Mr von Bismarck (PPE). — (DE) I should like to set the record straight very briefly on three matters. In the communication from your Press and Information Office it was announced that Mr Dankert and Sir Fred Catherwood would be commenting on this expert report at a press conference this afternoon?

(Interruption: 'Outrageous!')

That is contrary to Rule 18. Secondly, Sir Fred Catherwood mistakenly stated that we have the documents. None of us has them, other people have them, namely the press and a few privileged people. But we do not have them.

Lastly, a document is quoted on the cover of a document which I saw yesterday with a colleague who speaks another language. So a Parliament document is being distributed. By what right? We must make sure that neither this text is published this afternoon as a Parliament document nor comments by the President are released contrary to the provisions of Rule 18.

(Applause)

President. — Mr von Bismarck, I shall pass on your protest, but you could have made it personally to the President. As for the press conference, we have already reacted.

Mr Enright (S). — It is on the agenda. I wonder whether, after 6 p.m., Madam President, we could add, 'Possibly vote of no confidence in President and Bureau', depending on the outcome of whether or not there is a press conference.

(Applause)

President. — Mr Enright, table a motion to that effect and we shall let Parliament vote on it.

(Parliament approved the minutes of proceedings)¹

2. Topical and urgent debate

Steel industry

President. — The next item is the joint debate on:

— the motion for a resolution (Doc. 1-510/83) by Mr Gauthier and others, on behalf of the Group of European Progressive Democrats, on the situation in the steel industry;

— the motion for a resolution (Doc. 1-516/83) by Mr Pedini and others on reduced steel production;

— the motion for a resolution (Doc. 1-517/83) by Mr Carossino and others on the *Commission's proposals for reducing production capacity in the Community steel industry*;

— the motion for a resolution (Doc. 1-551/83) by Mr Glinne and others, on behalf of the Socialist Group, on Community steel policy.

Does the Commission wish to address the House now?

Mr Andriessen, Member of the Commission. — (NL) Madam President, I think it would be preferable for the Commission to speak after the four authors have introduced their motions. The Commission can give a short introduction before the debate and reply to Members' points at the end of the debate.

Mr Gauthier (DEP). — (FR) Mr President, ladies and gentlemen, we have had the Commission imposing production quotas on the European steel market since October 1980. We have had numerous interventions by unions and by members of this House. And finally, in May 1983, we had the Wagner Report. Yet here we are once again having to face up to the painful and complex problem of the European steel industry.

Mr Davignon may think that getting the industry back on its feet is a simple matter — a wave of a magic wand to reduce Europe's steel production 40% or even 20% and, hey presto, the problem is solved. We, on the other hand, pay heed to public opinion, and we consider it to be a very complex and very painful problem.

I say painful because apart from the quotas and production figures, which I shall come back to, the Commission's decision will most certainly mean further unemployment.

¹ Documents received — Referral to a committee for its opinion — Motion for a resolution (Rule 49 of the Rules of Procedure): see Minutes.

Gauthier

I would remind you that there have already been 300 000 jobs lost in the European steel industry since 1974, and the new measures, as estimated by Mr Davignon, will add over 100 000 more.

I would warn not only the Commission but also this House that the steel workers — the Commission's whipping boys and the ECSC's main victims since 1974 — will not tolerate any further thinning of their ranks. They have already paid a high enough price — what with quotas, restricted production, cutbacks, restructuring and plant closures —, to be in any mood to tolerate the loss of thousands more jobs.

There are entire regions, once prosperous and thriving on the strength of their steel industry, which have turned into deserts since the blast furnaces in their rolling mills were shut down, dismantled and removed forever. No-one lives there any more apart from the elderly, living on their memories, and a handful of young persons seeking non-existent jobs. France, and Lorraine in particular, has already lost tens of thousands of jobs. An entire region is dying, bringing in its wake the closure not only of iron ore mines but also of numerous small and medium-sized enterprises and industries connected with the steel industry. Given the present deterioration in the French economy and the present employment situation, the idea of scrapping a further 10 000 jobs in Lorraine would neither be understood nor accepted.

The Lorraine steelworkers and iron-ore miners, who have been fighting for years to safeguard their livelihoods, were extremely reluctant to accept the first reductions imposed. Nevertheless they made the effort and reduced production. It is simply not on to come back and ask them to make further sacrifices. It is not on to impose new quotas and new reductions which would mean the end and the death of a region which has contributed so much to the country's economic expansion, particularly when one considers that, despite the promises made by the French Government and the French President, not a single replacement industry or enterprise, not a single new job, has been created in this region. What is more, the national authorities seem to have no concerted policy for protecting or re-converting this region, preferring to bestow their favours on other regions.

I said that the problem was complex: it is complex insofar as the cutbacks in production imposed at European level have not been applied equally across the board. Since October 1980 a whole series of special measures, adjustments granted under diverse pretexts and derogations from the basic rules have been undermining the original quotas of certain Member States to the benefit of others. We now learn, after the latest Commission decisions, that certain Member States have rejected the Brussels proposals and are refusing to implement the decisions. Will the Commission be able to persuade them to toe the line, or will it be the same old story as before, with certain countries being

penalized while others take advantage? It would not make sense for France, and Lorraine in particular, to accept these new rules if other Member States will not undertake to abide by them.

The Lorraine steelworkers are not prepared to see the French share of the market reduced once again by the quota system, under which France's production of flats has been out by approximately 700 000 tonnes in the past two years to the point where the French steel industry, which occupied 18 % of the European market, now occupies only 16.5%. Bear in mind that each percentage point lost is equivalent to 1 000 000 tonnes of steel. This is a considerable decline and it could well go further, particularly since reduced production of steel in Lorraine will force a number of iron-ore mines to close; and God knows, there are few enough left as it is.

While all this is going on, more and more steel products from other countries are finding their way on to the home market. Trade agreements are a fact of life, but why should it always be the Community workers who suffer? Even if appropriate social measures are proposed they do not make up for the losses, either in terms of economic interests or human interests, and in no way do they reduce the real-life dramas which ensue when factories are forced to close down, and people find themselves without work.

As I have already made clear during the discussion of the Wagner report, the EDP Group does not dispute that the Community market in steel needs to be organized. What we insist on, however, is that the new system should restore the balance which previously existed between the various producers and should not artificially alter their effective normal share of the market; because the system of quotas has been pulled about tremendously since the reference levels laid down in 1980, resulting in an unfair situation, whereby certain Member States, and in particular France, have been called on to make greater sacrifices than others. We are also pressing for the introduction of an effective system of peripheral protection, including for example the indexing of imports from third countries to European consumption of steel products.

Finally, there is an essential need for an ambitious social programme to try to minimize the economic and social effects of the inevitable restructuring, particularly from the point of view of job losses. Job cutbacks cannot all be met by redundancies or early retirements. The workers of Europe, who have an inalienable right to work, expect more from us than authoritarian measures or fine words. It is our duty to defend them, to help them, to support them. We need to make sure that we are able to do so: in particular, we need to allocate considerable financial resources to the ECSC budget through existing Community instruments, while taking care not to place additional financial burdens on steel producers.

Gauthier

In any major crisis the countries involved need to stand together in adversity. But whatever the problems, we should all remember that the value of any nation is first and foremost the value it places on the individual.

Before I close, Madam President, I should like to point out one minor error: the French version of our document refers to 'Article 48'. This should in fact be Article 58 of the Treaty.

Mr Pedini (PPE). — *(IT)* Madam President, those of us who put our signatures to this motion certainly have no intention of re-opening the debate on the Wagner report. With the Wagner report we reiterated our agreement to the continued application of Article 58 of the ECSC Treaty, and we did so because we are convinced that the only possibility of managing this crisis in the steel industry is through use of the Commission's institutional powers laid down in the ECSC Treaty.

We therefore give our continuing support to the principle of quotas, the principle of monitoring investments and the principle of monitoring government aid, so as to ensure that there is no discrimination between public and private industries.

I am under no illusion, Mr Andriessen, as to the subject of your discussions with the Italian Government in Rome: I imagine that, before taking the critical decision on new cuts, the Commission will have consulted the government, if only unofficially. I must say, though, that when we are faced with decisions of the complexity and significance of the recent cuts, and we see the results they are going to produce, at least in some of the hardest-pressed regions, we are justified in fearing, even when governments includes men with the European spirit of Mr Colombo, that the next meeting of the Council of Ministers may find itself in difficulties which will certainly do nothing to further the Community cause. And our duty as Members of this House is, furthermore, to be certain that cuts with so many social consequences are made only after taking account of their total effect on society and on regional structure.

In this motion we are therefore asking the Commission to reconsider the quotas it has set, decide whether they are indeed fair, and above all to ensure that the other measures taken — social, regional and economic policy, intervention and aids under the ECSC Treaty — are appropriate: those measures which we consider should go hand in hand with any market intervention.

It is possible that such 'appropriateness' may not find the support of every Member of this House, but it is my opinion, ladies and gentlemen, that when we are fighting to bring about general economic and social improvements we should be thinking of the interests

not of a single nation, but of the entire Community, and what is needed now is a systematic and all-embracing industrial policy, not excluding the foreign trade policy aspects.

That, Madam President, is why we are asking the Commission whether it should not pause for thought before finally deciding on these proposals, and we are asking whether such proposals — precisely because they should be accompanied by social and economic measures — should not be designed for gradual implementation just as proposed in the motion which I and my colleagues have the honour to put before the House.

(Applause from the centre)

Mr Carossino (COM). — *(IT)* Madam President, ladies and gentlemen, it must be said that, if the Commission was hoping to put an end to the inconclusive to-ing and fro-ing by putting its own cards on the table when it submitted to the governments its proposals for cuts in individual countries' steel-producing capacity, it certainly got results.

When the news broke in Italy that the Commission had asked for a further reduction of 3 460 000 tonnes of production capacity, the effect was like an earthquake.

Its first effect was undoubtedly to draw attention to the responsibilities and shortcomings of an Italian Government which, as a result of delay in submitting its programmes, of its inability to implement measures to clean up the finances of the steel industry and to restructure it, and by the artificial division of the programme between private and public sectors has made a significant contribution to the difficulties in which our country currently finds itself. The Commission's decision also prompted great alarm and great despondency amongst thousands of steel workers whose jobs are threatened. Entire cities — Genoa, Naples and Terni — and regions like Liguria and Campania have this decision to add to the burdens of the crisis in shipbuilding and the docks and their tremendous problems of unemployment. There is no arguing that the Community is going through a difficult period and that every one of us must show judgement and responsibility. My own group, for example, is unable to support those in Italy whose reaction to a serious problem is to propose an even more serious remedy, the break-up of the ECSC. That is no solution, since it would result in a return to a disastrous price war in the steel market, with each country erecting protectionist barriers, which can only aggravate the problems and difficulties of the steel industry.

What is also certain, Madam President, is that no one should be under the illusion that, this fact can be used to justify decisions which penalize and discriminate against one particular country. It is in the Community

Carossino

Institutions that the solution must be sought and found, giving full recognition to the fact that a crisis such as this calls for sacrifices on all sides.

Our purpose is therefore to challenge the measures proposed by the Commission, since they have no basis in fairness and, for various reasons, there is no prospect of any constructive or acceptable agreement. Above all, we do not accept the forecasts of future steel consumption, since they are based on too short a time scale and give a particularly pessimistic view in an area where forecasting is notoriously difficult.

The aim of reducing capacity must be pursued with a more flexible approach than is at present proposed.

We also challenge the second principle, namely that countries where public finance has been put into the steel industry should effect greater cuts in steelmaking capacity. In our own view there should be other criteria. Account should be taken principally of the technological development of individual steelworks and their geographical situation with regard to the demands of a single European market, and account must be taken of each country's degree of self-sufficiency in steel, so as to avoid the absurd situation arising of a country which has an efficient steel industry and is a net importer of steel having to make sacrifices for the benefit of others which are net exporters.

If we wish to contribute to creating the climate of goodwill which is essential to furthering the process of restructuring and conversion, and if the Community wishes to appear in the public's eye as more than the hateful organization responsible for redundancies and factory closures, it is essential that, as Mr Pedini said a few minutes ago, explicit provision is made in agreement with national governments for finance to implement credible regional development programmes for each and every steelmaking area, providing not only social welfare but also aid to create new jobs to replace those lost in steel. This is why we consider that the Commission's decisions must not be regarded as final and irrevocable; as has been said, we consider that they are unworkable and should be reviewed.

I have outlined broadly the path to be followed if we wish to find a constructive solution and if we wish to restore to the concept of Community solidarity, so frequently evoked by the Commission, its original meaning of equity and justice, particularly as it applies to the weaker countries and regions.

It is with this ideal and for these reasons that, together with other political groups, we have drawn up a motion for a resolution which we shall be supporting and which we trust will obtain the support of a majority of this Parliament.

(Applause from various quarters)

Mr Glinne (S). — *(FR)* Mr President, ladies and gentlemen, the amendment tabled jointly by the

Socialist Group, the EPP and our Italian Communist colleagues, coming as it does in the wake of the failure of the Council of 21 June and the recent meeting of Eurofer, and against a distressing background of manifest crisis, reflects the fear that the Council of 25 July will also fail to reach an agreement. The joint amendment is rightly and sensibly concerned, in particular in paragraph 3, with the possibility of such a failure on 25 July and with the related priorities, in particular the overwhelming need to extend the anti-crisis measures based on Article 58 of the ECSC Treaty until the end of 1985. No such extension has so far been agreed, yet this should precede any proposal for new reductions in production capacity.

Our Group strongly favours the reapplication of Article 58, with quotas being determined, and I quote from the Treaty, 'on an equitable basis, taking account of the principles set out in Articles 2, 3 and 4'. Madam President, I should like to remind the House how Article 58 works. The High Authority may, and I quote, 'regulate the level of activity of undertakings by appropriate levies on tonnages exceeding a reference level set by a general decision. The funds thus obtained shall be used to support undertakings whose rate of production has fallen below that envisaged, in order, in particular, to maintain employment in these undertakings as far as possible. Briefly, therefore, we see Article 58 as a tool which can be used to achieve the main objective of the ECSC Treaty, which is, and I quote again: 'to progressively bring about conditions which will of themselves ensure the most rational distribution of production at the highest possible level of productivity, while safeguarding continuity of employment and taking care not to provoke fundamental and persistent disturbances in the economies of Member States'.

We are therefore firm believers in Article 58, primarily because it affords a basis for organizing mutual support and solidarity and for protecting the weakest and least restructured steel regions. We shall certainly not be tempted to suggest abandoning the application of Article 58 at this present time. On the contrary, we shall be encouraging the Commission to apply it and to convince individual governments of the need to continue to apply it. I would point out that under paragraph 3 of Article 58 the Council may decide by a simple majority on a proposal from a Government. And I should also like to know what sort of situation we would have got ourselves into, or might still get ourselves into, without recourse to Article 58.

The Commission took a decision on 29 June. What do we think about this decision? We think it makes the mistake of putting the cart before the horse, in the sense that it attempts to impose reductions in production capacity without having first established that the

Glinne

Council will agree to the application of Article 58 being extended beyond the 30 June. We also believe that it is too vague about the criteria and the methods employed for evaluating the required reductions. This is why we are asking for the decision to be re-evaluated, re-examined, re-considered. The German text of our motion says 'Überprüfung', and the German text has got it right. We are asking for the decision of 29 June to be re-examined, and are urging that the Commission should explain its reasoning to Parliament's Committee on Economic and Monetary Affairs before finalizing the decision.

The governments of the Member States have until the end of the year to decide and explain how they intend to achieve the reductions advocated by the Commission. Why not begin by ensuring the continued application of Article 58, convincing this Parliament and the workers involved, and making the national governments responsible for their own decisions?

Of course, it is not up to this House to decide what sacrifices should be made and by whom, and we, for our part, wish to avoid any rivalry between steel areas. But Parliament has the right to know more about the general criteria underlying the imposition of any new cuts — cuts which should not only be clearly justified and fairly balanced but which should also take due account of the sacrifices already made by the steel areas, where the word distress has a cruel significance.

Madam President, my colleagues will be explaining the Socialist Group's views on reconversion and social policy. I, for my part, should like to ask the Commission to explain the revival of the controversy concerning exports of semi-finished steel to the United States following the announcement of the agreement between US Steel and British Steel.

My closing remark is addressed to the Commission, and in particular to the three Commissioners, who appear to have a very impressive grasp of the technical aspects of the steel question. It is a piece of advice, given modestly but very firmly: it is to urge you to make an extra effort to develop a little more soul, a little more humanity, a little more social understanding, because, whether we are talking about regions or men, there are limits beyond which we simply cannot go.

(Applause)

Mr Andriessen, Member of the Commission. — *(NL)* Madam President, the decision on the restructuring of the steel industry which you are debating today is one element of the Commission's overall steel policy, a policy which is designed to ensure that by the end of 1985 the Community will once again have a healthy and profitable steel industry capable of competing with other steel producers without State support, in accordance with Article 4 (c) of the ECSC Treaty. That

is the intention; the decision which you are discussing today forms only one element of that policy. Another very positive element of the policy is the application of Article 58 of the ECSC Treaty, a measure which all sides in this House have again been urging today. The Commission is determined that a final decision must be reached at the next Steel Council on 25 July, because we believe that without Article 58 our policy cannot succeed. A third element of the policy is the social aspect. The Commission fully endorses what has been said in this House on the human aspects of this difficult question. Nor has it been idle in this respect; it has already put proposals on the table, and the next step will be to put the necessary measures into action.

So you see, Madam President, the policy which the Commission is advocating and pursuing is a Community policy. Its success depends on the active cooperation of all the Community's steel industries, the active cooperation of all Member States. To put it another way, no single steel industry in the Community will ever be profitable again unless the targets which we have proposed are achieved and the steel policy proposed by the Commission is accepted. This means that we have to ask all Member States to make sacrifices in order to get the steel industry back on its feet.

I now come to my second point: the ultimate criterion which we employed when assessing individual cases was whether the undertaking in question would be profitable after restructuring. Naturally each case needs to be assessed on its own merits, but the criteria employed need to be the same in every case, and this is also part of the Commission's policy. The criteria in question include the prices on which a return to profitability could be anticipated, the market prospects, product categories, etc.

Thirdly, there is a relationship between the degree of support given to a firm and the contribution which the firm is expected to make towards restructuring. Is it not always the case that the firms which receive the most support are the ones with the biggest problems, and consequently also the ones requiring the most radical restructuring? All these factors taken together have resulted in the Commission asking the Member States as a whole to reduce their capacity more — indeed a great deal more — than they themselves offered to do in their reports to the Commission. But it must be obvious that unless this minimal restructuring target is achieved the Community's steel policy as such cannot succeed and the situation which we would all like to see prevailing in 1985 will not come about. Consequently no quotas for reductions to be achieved by individual Member States have been laid down. The figures resulting from the Commission's policy are based on the criteria which I have just outlined.

Andriessen

Madam President, both the letters to the Member States and the decisions taken by the Commission — I say decisions because they are no longer proposals but actual decisions — lay down the conditions which the Member States and individual undertakings must meet. The Commission is still talking to Member States and undertakings to decide on ways of meeting these conditions. Naturally, there is scope for industrial cooperation between undertakings within a particular Member State, and even in different Member States. There is plenty of scope for undertakings to find a satisfactory solution to the problem of reducing capacity. We remain in contact with Member States, and, Madam President, we remain in contact with Parliament. The Commission is of course prepared to inform and consult with the Parliamentary Committee on the progress of this difficult and complicated operation.

Madam President, the Commission's decision has aroused a great deal of mixed reaction from undertakings, Member States, consumers, workers, trade unions, etc. The Commission understands this. But allow me to emphasize once again: the Commission's aim is not to impose a massive reduction in capacity, but to preserve as much capacity as possible. The Commission's aim is not to get rid of hundreds of thousands of jobs, but to preserve hundreds of thousands of other jobs. That is the Commission's objective, and it is in this light that it hopes and trusts, with the support of this Parliament and the Member States, to see its decision carried through.

Mr J. Moreau (S). — *(FR)* Madam President, I should like to add a few brief comments to the remarks made by our colleague, Mr Glinne, concerning this morning's subject for debate. Firstly, we need not dwell on the concern aroused by the work of the Commission and, if I may say so, by the shillyshallying of the Council. The worst thing is not knowing where we stand: we do not know what decisions the Council is prepared to take and find that whenever it meets it is incapable of drawing up and adopting a consistent policy on the steel industry.

We stand by what we have said in earlier debates, especially when discussing the report by our colleague Manfred Wagner, and have emphasized the need for a Community steel policy; but let there be no misunderstanding — such a policy must be comprehensive and not just touch upon a few aspects, even though these may in some respects be of fundamental or pressing importance.

I feel that although there is agreement on the basic principle of a Community steel policy, when we come to define the means of achieving our objectives, we are confronted by delaying tactics and indecision. In my opinion, one of our main problems is that basically we fail to understand the way in which the market is developing, and this is due in part to the

decisions taken by countries and firms outside the Community. There is also indecision with regard to the development of steel technology, but this indecision also stems from the fact that non-member countries sometimes adopt measures which discriminate against us. The latest decision taken — or at least announced — by the US concerning special steels is clearly far from encouraging.

I therefore believe that we should devote our attention to the development of the market. Many times in the past few years our hopes have in fact been disappointed, and all the proposals and forecasts which have been made have proved to be either very incomplete or simply misguided.

While the Commission has not always acted as some of us might have wished, I do appreciate that it has made a real effort in this field and has tried hard to prevent the market from collapsing. To be as realistic as possible, I am well aware that the problem facing us over the past few years has been the collapse of the market and the question of whether it is in fact possible to create a European steel industry.

However, as I said a moment ago and as was pointed out in the Wagner report, if such an industry is to be created we will need a genuine common market for steel. With the necessary transparency and discipline, since the difficult problems we are now facing stem from the fact that the rules drawn up by the Commission or the Council are not always respected, and several of the questions put to the Commission by the Committee on Economic and Monetary Affairs related to the observance of these rules.

I therefore believe that we should draw up a plan which enables us to establish a real common market for steel and which, above all, makes it possible to carry out some essential adjustments to the European steel industry, adjustments which combine restructuring, modernization and — this point is of fundamental importance — redevelopment, since it is impossible to discuss the restructuring and modernization of the steel industry on a purely sectoral basis. It is therefore necessary to carry out economic redevelopment in the regions hardest hit.

I think that this is possibly one of the questions to which public opinion, which we represent, is most sensitive. What, in fact, is the reason for the reactions to the plans and proposals made concerning restructuring? Some may feel that they have been unfairly treated — and we can fully understand that in the countries and regions affected there are at times undeniable feelings of unfairness or inequality — because the problem confronting the steel industry is that the damage caused by the cuts in production ranging from several hundred thousand to several million tonnes in various countries has not been sufficiently compensated for by the Community. To put it bluntly, people have been left stranded without hope.

Moreau

In my view, that is the problem facing us. I should also like to say that the Commission does not always succeed in establishing the necessary contact with all the people and firms affected.

Madam President, I shall conclude by reminding the House that the rapporteur requested a conference on steel. I think the Commission should draw up a global report on future trends in steel and the steel industry, although I feel sure that the Commissioner will reply that a great deal has already been done. I know full well that I shall be told about the objectives, but that is not enough; we need to go further. Secondly, we need a conference on steel at which everyone's opinion can be heard and at which we can decide on measures which, while benefitting the steel industry, will also enable the regions to survive. In this connection I regret the fact that Parliament did not adopt our proposal for a special agency.

Those, Madam President, were my comments on this matter. I hope that the Commission will take all the necessary steps to improve the flow of information and ensure that account is taken of Parliament's opinions.

Mr Hermann (PPE). — *(FR)* Madam President, ladies and gentlemen, no one is better able to understand the tragedy of further cuts in capacity and their catastrophic effect on the employment and economic and social life of a region than a citizen of Liège. We can therefore understand the reactions of our colleagues from Lorraine, Liguria, Naples, the Saar, the Midlands, Scotland and elsewhere, including of course, Charleroi.

However, while we share their concern, we cannot go along with their request to the Commission to reverse its decision on further cuts in capacity. Those of us who want to maintain the quota system and Article 48 should realise that the system can only be viable if overcapacity is trimmed down. To ask the Commission to reconsider its position is to challenge its objective to cut capacity by a further 30 million tonnes, which is essential if we are to maintain in Europe a maximum steel production capacity which compares with our capacity on the world market.

There is no point in loudly proclaiming our support for Europe if we are not consistent when it comes to choosing between upholding the Commission's aims, which are to defend the interests of Europe above all else, and upholding the interests of the regions.

Like Mr Glinne, I would ask the Commission to be more explicit concerning the criteria used in deciding on the cuts. It seems to me unreasonable to regard firms which have received increases in capital of several hundred million francs as not having benefitted from aid. Aid for firms may take various forms, and it is not true to say that an increase in capital is not a form of aid while a capital subsidy is. These concepts will have to be explained more clearly if the

sacrifices we are called upon to make are to become acceptable.

I am, of course, in agreement with all those who are calling for a greater commitment to redevelopment and for more intensive social redevelopment programmes. The accompanying social measures are obviously among our priorities. Therefore, if Mr Glinne, Mr Pedini and the others who tabled the motion for a resolution agree to amend 're-examine the decision' to 'reverify the decision', we shall be prepared to vote in favour of it. Similarly, in paragraph 2, instead of asking for the impossible, that is calling on the Commission to explain its position to the Committee on Economic and Monetary Affairs before taking its final decision, which is not feasible in view of the limited time available, if we can agree to delete these few words and replace them by 'after reverification', we would be prepared to vote in favour of the entire text.

(Applause)

IN THE CHAIR : MR ESTGEN

Vice-President

Mr Welsh (ED). — Mr President, I can be mercifully brief, partly because we wish to associate ourselves entirely with what Mr Herman has said and also because the position of our group was clearly expressed when Parliament debated steel last May.

We regard the overall objective of these special measures as being to establish an economic, competitive European steel industry as quickly as possible. Economic and competitive in this context does not mean kept afloat on a vast sea of national subsidies and aids. The steel industry, like every other industry, has to stand on its own feet. We believe that the sooner the Commission implements its restructuring proposals and the sooner the Council accepts them the better, and no amount of well-intentioned heart-burning about the plight of steel workers should be allowed to delay this. Therefore, we would say to the Council very clearly that we expect the Commission's proposals to be adopted at its meeting on 25 July and that we expect Commission and Council to show solidarity in implementing them as quickly as possible.

The British Steel Corporation and the British steel industry in general have already bitten this particular bullet and have made very considerable sacrifices in terms of capacity and of jobs. It will be unacceptable to British steel workers if their sacrifice is used as an excuse to maintain uneconomic capacity in other Member States. We hear a great deal about solidarity in this House. We believe that it is time to show a little bit of solidarity for the Commission proposals, for the British steel industry and the interests of European steel consumers in general.

Welsh

Other members of my group will draw attention to specific aspects of the problem in Britain. What I have said represents the overall position of our group.

Mr Frischmann (COM). — *(FR)* Mr President, the French Communists and Allies find the restructuring measures proposed by the Commission unacceptable.

Firstly, this is for closely interrelated and obvious economic and social reasons. The steel sector must contribute towards revitalizing the employment situation and creating jobs, which we believe is necessary for France and the Community. We therefore need to develop the steel industry as well as those industries which use large amounts of steel, for example the motor industry and building: in other words, we need to promote growth. That is what is required if we are to establish an effective employment policy based on the development of the steel sector.

Secondly, the Commission proposals are also unacceptable because of the discrepancies inherent in the Community's policy. How can the Commission be so self-assured, indeed cynical — let us make no bones about it — in planning for the elimination of 150 000 jobs between now and 1985 and reducing production capacity by 30 million tonnes, while we can be sure of medium and long term demand for steel in the Community?

We refuse to accept an approach in which we are constantly told that the crisis and the decline of the steel industry are all we can look forward to, and we want the Community and France to embark on a programme of economic revival and industrial development.

There is no reason to accept the decline of the steel industry as something decreed by fate. There are problems due to the need for economic growth and restimulation, problems of productivity and technology which can be overcome, and because we feel it is wrong to argue that the present industrial and technological upheaval cannot be brought under control without plant closures and massive or systematic dismissals, we refuse to accept the Community's steel policy, since it is possible to tackle the problem differently. Nor can we accept the approach whereby this policy is made more palatable by accompanying measures of a so-called social nature which are trifling in view of the seriousness of the situation, since the workers' experience of such measures has been too prolonged and too painful. This is in fact the approach underlying the compromise resolution, to which we are therefore opposed.

Mr Calvez (L). — *(FR)* Mr President, Members of the Commission, since 1974 the steel industry of Europe has been going through a serious crisis, the most obvious manifestation of which has been the massive cuts in production and manpower over the past few years.

In including this debate on the steel industry in its agenda, Parliament has wanted to voice its Members' concern about a problem which if felt must be solved on the basis of cooperation between the Council, the Commission, the political leaders and the workers concerned.

The survival of the European steel industry is at stake and we cannot just stand by while steel firms go to the wall and await the threatened general collapse of the industry. We need a strong industry in Europe to counterbalance the steel industries of Japan, the United States and also of the third world, one which will enable Europe to maintain its full potential.

The Liberal Group wishes to pay well deserved tribute to the Commission, in particular to its Vice-President Commissioner Davignon, for the work it has done in the past few years to encourage the governments of the Member States to draw up plans to restructure their steel industries and reduce production capacity for hot-rolled products by 30 million tonnes. It was the Commission which had the difficult task of applying the code governing the aid approved by the Ten in 1981 while coordinating the scaling down of the European steel industry, and it was also the Commission which reacted vigorously on various occasions to the decisions by the US to limit its imports of special steels from the Community. A Community policy was thus being applied, and this is a highly important point as far as the institutions are concerned. But dialogue between the Commission and the Member States has not always been easy, since plans to reduce production capacities must be adequate and enable firms to make adjustments to re-establish their profitability. The financial burden of steel industries which are all adapted to requirements should act as an incentive to governments to speed up this process, despite the unpopularity of the measures to be taken. Aid and subsidies to the steel industry have all too often served only to offset losses and to keep prices reasonably high without being truly competitive. This aid, which is to be scrapped in 1986, has to be worthwhile, that is it must help to improve competitiveness by means of investment to adapt the industry to the new market situation. The value of aid must be assessed from the point of view of the Community rather than of one Member State. Steelworks, including modern production units which are not what the market requires, are never closed down without regret.

We know the causes of the crisis — the emergence of new steel producers is one of the most important factors underlying the increase in supply, and certain developing countries or countries now becoming industrialized have started to produce steel and even, like Brazil, to export it. Other countries are now making their own steel and no longer buy ours. Surely the time has come to adjust the volume of imports from third countries to the situation of the Community market. What does the Commission think of

Calvez

this? A great deal has been said about quotas, the effects of which have been beneficial in the short term. But if this system continues unchanged for too long, might it not increase the inflexibility of the European steel industry? As we all know, the steel industry is a heavy industry which cannot adapt quickly to changes in the economic climate. The effects of decisions are often only felt after several years, and as we have seen, the European steel industry has suffered from a serious lack of cooperation. It has adopted an 'every man for himself' approach, the effects of which have been dire. Steel producers who should have cooperated have each tried to turn the situation to their own advantage, in some cases to the detriment of other producers.

In 1982 the steel industry was sadly unable to put an end to the crisis which it has been going through for nearly 10 years. Close cooperation between Community industries is more than ever necessary to maintain steel prices in the Community at a level which will enable the steel industry to survive. The delaying tactics we have been witnessing must stop. Moreover it is essential for the Council of industrial ministers to shoulder its responsibilities on 25 July. There is no more time for shillyshallying. Let us consider how we can unite to overcome this problem and share as fairly as possible the inevitable sacrifices. All nationalism, political expediency, lack of realism and fear of social upheaval must be eschewed.

We are in favour of maintaining the present system, but it must be made more transparent. Some governments have agreed to make sacrifices while others have turned a deaf ear. No exemptions and additional quotas must be awarded to individual countries. The Liberal and Democratic Group has always been concerned for the well-being of the workers in the sectors affected by the crisis, whether in the steel industry, shipbuilding, textiles and, nearer home, in the chemical industry. We would be pleased if the Commission could give us a general idea of the programmes to reduce production capacities and the number of jobs which will be lost in the steel industries of each Member State. What action will the Commission take to alleviate the disastrous affects on both individuals and regions of massive and sometimes disorganized dismissals resulting from restructuring and cuts in capacities? In my opinion the protective social measures initiated, even if they help to ease the social consequences of the crisis, will not be a sufficient remedy in themselves. They must be accompanied by an effective and adequate programme to create alternative employment.

To wind up, I would say that Parliament needs to speak the truth, for the problem of the steel industry is a serious one. Also at stake is the livelihood of men who have lost or are likely to lose their jobs. But all countries must limit their production. Cooperation

has been started and a Community steel policy is being negotiated in Brussels. If all member countries want to obtain the greatest possible benefits, solidarity — a word frequently used in this House — is also essential. I believe that our governments must be persuaded of the need for solidarity, and it will be through the combined efforts of Parliament and the Commission that Europe will be able to come through this crisis and create a steel industry which is in line with its needs.

(Applause from the right)

Mr Petronio (NI). — *(IT)* Mr President, it appears to me that this debate is revolving around the request made to the Commission, which I do not doubt will be made again by others, to review the measures contemplated for the iron and steel industry of Europe and of Italy in particular. What the Commission is being asked to do is take a further look at the figures so as to ensure that the medicine prescribed is not that for a horse rather than a somewhat frail and exhausted invalid, and to see whether it might not be more appropriate to defer the measures being suggested so as to allow time for reconversion, and also in the light of the not too pessimistic future predicted for our steel industry in general and all the other branches of industry which depend upon it. What has to be done is to ensure that we do not create truly critical employment conditions, particularly in Italy, and come close to the earthquake to which Mr Carossino has already referred. We must prevent certain Italian ministers fishing in troubled waters, in the sense that, in addition to the sins they have committed and are now trying to pass on to their sons — i.e. the Italian workers and producers — they have unfortunately released a flood of statements, going as far as advocating the dissolution of the ECSC, which is tantamount to the withdrawal of Italy from the Common Market. We must insure against the risk of anti-European sentiment, of protectionist measures and old hatchets exhumed, for such things belong to the past and are diametrically opposed to our own goals of European union.

Mr Peters (S). — *(DE)* Mr President, Members of the Commission, since 1974 the EEC steel industry has been shedding jobs at an alarming rate. In 1974 we had 800 000 steel workers. By June 1983 there were scarcely 500 000, a loss of 300 000. Now the Commission is saying that we need to reduce capacity even further, at the loss of another 100 000 jobs. This means that between 1974 and 1984 the industry will have lost 400 000 steelworkers, half of the original work force. In addition, each job in the steel industry sustains approximately four jobs outside, for example in mining and the supply industries. If we add these on, then the total number of jobs lost comes to 1 500 000. That is a heavy social burden for the Community to bear.

Peters

The steelworkers cannot therefore simply be left to their fate. The EEC must show what sort of a Community it is: a Community based on cold, inhuman, uncontrolled economic principles or a Community concerned to protect the social interests of its workers, and in particular its steelworkers. We want it to be a social Community. This means that it will have to inject massive amounts of capital in order to absorb the worst effects of restructuring.

It means in the first place that under the ECSC 500 million ECU will have to be made available over the next few years for a programme of readjustment to new jobs. It means in the second place that we shall need to give full support to the second major social programme proposed by the Commission under which new jobs would be created in the steel regions and early retirement would be introduced — retirement at 55, 50 in the most serious cases — in order to safeguard these jobs for younger workers. In the third place it means interim aid, readjustment allowances and compensation for loss of income for workers embarking on other careers and other fields of activity. And in the fourth place it means cooperating in the financing of local or regional coordination offices set up to pool and dispose of the financial aid provided by the Community.

This new social programme, scheduled to run from 1983 to 1986 at a cost of 330 million ECU, needs our support, and indeed has our support. The Socialist Group deplores the fact that the Federal German Government does not intend to make the financial aid available. We cannot, and must not, accept this situation. We are firmly opposed to mass redundancies. If jobs are to be cut, the cuts should be carefully planned within the context of the social measures put forward by the European Community. If this can be achieved, with the support of all Groups in this House, the steelworkers will be able to say that the European Community is also their Community.

Mr Müller-Hermann (PPE). — *(DE)* Mr President, moaning and groaning will get us nowhere, and nor will party-political infighting. The Community has to make up for lost time and get down to the process of adapting to the situation, a process which should perhaps have started years ago when the economy was booming and social problems were not so pressing. The fact that all Member States have been moaning about the quotas — Germany included — shows, in my opinion, that the Commission has tried to strike a fair balance in reducing capacity. That is a difficult thing to do, but the Commission has at least tried.

I have three specific requests to make of the Commission. Firstly, I would ask the Commission to enter into negotiations with the American Government as soon as possible to ensure that the recovery process now under way in the Community is not knocked off course by any further protectionist measures emanating from the USA.

Secondly, there is an urgent need to make subsidies more transparent. The code of conduct agreed for subsidies has unfortunately failed to work in recent years; in particular, the nationalized steel undertakings have, by various roundabout means, been much more favourably treated than the private producers, who have had to use their own resources. We hear that the steel industry has received subsidies to the tune of around 20 000 million ECU since 1980, as a Parliament, we are naturally keen to know where these funds were invested, what sort of restructuring was carried out, and how we can ensure that future subsidies will be genuinely transparent and balanced.

Thirdly, I would ask the Commission to encourage exchanges of quotas — including exchanges between different countries — in the years ahead, so that one day — hopefully in the not too distant future — the officially laid-down system of quotas can be relaxed. This would enable the really efficient firms to maintain a reasonable, economically viable production capacity, while the lame ducks would go to the wall.

These seem to me to be the three points on which the Commission ought to be making a greater effort.

(Applause)

Mrs Elaine Kellett-Bowman (ED). — Mr President, I wish to oppose the Pedini and Carossino motions for resolutions and to support very largely the competent amendment. I strongly support the observations made by my colleague that the British Steel Corporation has already bitten the bullet and cut capacity and that it would be totally unacceptable if its sacrifice were to be used to maintain capacity in other States.

I represent the steelworkers of West Cumbria and I feel very strongly that we have already accepted our rationalization, our cuts in jobs, whilst one member country did not cut back but went on increasing production capacity during the early period of the Davignon plan. It cannot now complain that it must now cut production. As a result of our own cuts, our unemployment rate is up to 25 %. We feel therefore that we should not have to accept any further cuts. Future cuts should fall on those who have not in the past taken their fair share of cuts.

I was glad indeed to hear Commissioner Andriessen's firm support for measures in the social field to help areas which have been badly hit. I support very strongly the proposal for an increase in the non-quota section of the Regional Fund for areas hit by crisis. West Cumbria has been hit not only by the steel crisis, but also by the textile crisis and therefore needs help from an increased non-quota section. The United Kingdom Government has requested its inclusion in the non-quota section, and I certainly have been pressing for it for years. I very much hope it will be included in the enlarged non-quota programme called

Mrs Kellett-Bowman

for in the resolution to alleviate the social problems created by the crises, created in *all* those areas of the Community which have, in fact, been hit by the steel crisis.

This is one of the ways, Mr President, in which we can really show the human face of the Community, namely, by having the solidarity referred to by our colleagues to help in the social sphere and in the regional sphere those who have been called upon to make the sacrifice of their jobs. Only in this way, by expanding the Social and Regional Funds, can we help to alleviate the hardship being endured by these people throughout the Community.

Mr Pasmazoglou (NI). — *(GR)* Mr President, I would like to stress the importance of this discussion together with the very difficult and positive work of the Commission. The problem of the steel industry is bound up with the economic crisis both at world and European level. The fact that the Commission's interventions have made it possible to ward off increased protectionism and a price war was a significant achievement. I would like to underscore the good job which the Commission has done in recent years. However, Mr President, I am obliged to point out that major regional problems exist and, seeing that most of my respected colleagues have spoken about regions which interest them directly, I for my part am obliged to speak about Greece.

As regards the quota arrangements which have been made for Greece, I have to say that I am unable to follow the approach adopted by the Commission in facing the problems involved. For there are three specific points whose significance, I fear, is not recognized by the Commission.

The first concerns the countries with a large steel-producing sector. In the large countries of the European Community there exist either visible or invisible aids, i.e. the industry is to all intents and purposes subsidized, which is not the case in my country, where the steel industry sector is a small one.

Secondly, Greece became a full member of the Community on 1 January 1981 and consequently had no opportunity to play a role in the integration of the steel industry.

Thirdly, the Greek steel industry's request to determine its quota on the basis of its productive capacity has not been openly accepted. Mr President, I must say that these are three precise and vital points and should obviously be taken into account when determining the quota for Greece. The Commission's stand is unclear, as I have occasion to note. It refuses to recognize the existence of these problems and the specific proposal which has been made. The topic is a serious one and leaves no room for ambiguity and vague promises. Accordingly, Mr President, I would like to call for a positive response to a demand which

is clearly justified in the context of the broader Community interest. In the long term the problem can only be solved by a general restructuring of the steel industry as the Commission and, in particular, its vice-Chairman Mr Davignon have very rightly stressed time and again, whereas, in conjunction with the restructuring of the steel industry it is also essential to ensure decentralization within the Community. Moreover this is the only sure solution to complicated problem.

Mr Pearce (ED). — Mr President, I would like to congratulate the Commission on what it is doing in this difficult area and to sympathize with it on the problems it faces. I am sure we will all accept whatever actions it takes, provided that they are implemented with equal effect in all Member States.

I would like to draw attention to one particular point of which the Commissioner is already aware. It concerns the difficulties faced by very small steel producers. There are in the United Kingdom small private enterprise steel producers who could play a particular role in the economy of my country at the present time. We want to encourage private sector activity. We want to encourage small firms. We respect the fact that they sometimes satisfy particular types of demand for steel products and that they are in some ways particularly competitive in that they do not call for subsidies from the public purse. Some of these firms operate under particular circumstances which have given rise to quotas entailing a very low percentage utilization of their potential capacity. These factors may arise due to the time that the firms were set up or the level of production at the time when quotas were instituted. I would like to urge the Commission to exercise a special flexibility with regard to these small firms to ensure their survival and, in particular, to look at the percentage utilization of capacity of such firms. If they do this, it will be a service to such firms and to the steel industry as a whole.

Mr C. Jackson (ED). — Mr President, I wish to speak very much along the same lines as my colleague, Mr Pearce. I am still extremely worried about the situation of the smaller steel companies, the ones that are not nationalized, the ones that do not have access to a virtually bottomless public purse.

I think it is extremely important that the Commission should proceed in the direction of greater flexibility in regard to quotas for these small companies. If we stick to the rigid, historical principles of keeping only more or less the same sort of market mix that we started off with in 1979, then there is no opportunity for these companies to adjust their sales and marketing in line with the changes that have taken place in the marketplace. It is absolutely vital that they should be able to do this. Otherwise, there is always a severe risk of

C. Jackson

bankruptcy for firms that are intrinsically efficient and perhaps more efficient than some of the larger competitors in the nationalized sphere.

That, Mr President, is my plea in this urgent debate: that the Commission give particular attention to flexibility of quotas and to adjustments to enable efficient, small private steel concerns to survive.

Sir Peter Vanneck (ED). — Mr President, I return to the larger scene. Having such a large proportion of the British Steel Corporation in my constituency of Cleveland on Teeside, I must re-emphasize the strongly-held opinion in this area that Britain has now restructured enough. Our capacity reduction has been thorough and most painful. We look now to our colleagues on the Continent to take the strain. I am desperately concerned that further unemployment in the steel sector, cushioned to some extent though it is by forms of Community aid, should not hit Cleveland again. It is an area already suffering most gravely.

We all need, of course, in the context of world recession and world over-production, to tighten our belts still further, but I say to the Commission, as well as to my local press, that the further impact of rationalization must redress the earlier imbalance whereby Britain bore the brunt.

Mr Andriessen, Member of the Commission. — (NL) Mr President, I should like to begin by thanking those who have spoken in this debate for their generally very constructive approach to the Commission's decision and the understanding they have shown for the difficulties which we obviously had to overcome. In my reply, I will concentrate primarily on those aspects which concern the problem of aid. Mr Davignon will deal with the various points in connection with Article 58 as well as the social and regional aspects. May I begin, Mr President, by saying — in the light of a number of remarks which have been made — that over the last two years, i.e. since the aid code for the steel industry was drawn up, there have been substantial contacts between the Commission on the one hand and the governments of the Member States and various undertakings on the other. The Commission did not simply take a decision without carefully consulting the various parties involved beforehand and it will continue to consult them in the future, as indeed it must, since it is clear that considerable supervision will be required when it comes to implementing the decision.

The Commission has taken an overall decision aimed at reducing capacity by some 30 million t. However, the details will have to be filled in for each individual case or undertaking and this process will obviously require extensive consultation between the Commission and the Member States. I should like shortly to

go into more detail as to what the implementation of this decision could or could not involve, but before doing so I should like to deal with a few specific points which have been made.

Firstly there is the question of transparency. It is quite right that the greatest transparency possible should be called for as regards the amounts of aid granted in the various Member States. However, the problem is that there are very many different types of aid which are not readily comparable. For example, some enormous amounts quoted as aid to the steel industry are subsidies in the strict sense of the word, while in other cases they represent low-interest loans or shares in capital, which do not even always need to be regarded as aid, although Mr Herman is obviously right in saying that certain aspects of such things constitute aid — for example, guarantees on loans. Thus it is not all that easy to achieve optimum transparency, but it is certainly right to demand that as much be done as possible in this respect with a view to making the decisions reached comprehensible and acceptable for everyone.

When taking its decision, the Commission took account of specific situations in specific Member States, as provided for in the code itself. For example, account was taken of the fact that in one Member State there is only a single, small-scale steel undertaking. There were other cases where we took account of specific situations and we will continue to do so in the future when we come to implement the decisions. Thus, for example, account was also taken of the problems peculiar to small undertakings in connection with aid, and one of the reasons why, for example, in the case of the United Kingdom, we are still going through a period of uncertainty as regards a number of small undertakings is that it was at a certain point not possible to determine precisely how the reduction in capacity should be made. The Commission is therefore taking account of this in connection with the granting of aid. It has been said, Mr President, that the Commission's decision is unfair and that the various Member States have not received equal treatment. However, I should like to point out once more that when assessing the situations in the individual Member States we were obliged to take account of the need to bring about a substantial reduction in the total steel-production capacity of the Community as a whole, and this is the reason why in those Member States in which the steel industry receives relatively little aid we have nevertheless had to ask for a relatively large contribution to the entire operation. This is also the reason why we have not been able to leave the sector not receiving aid out of the entire operation. If I tell you, Mr President, that of the existing capacity in the Community, approximately 100 000 t is receiving very little or no aid, it is clear that this major section of the industry cannot be left out of account in this operation, and I would

Andriessen

insist therefore that the decision we have reached was the right one, in view of the fact that the Community steel industry as a whole stands to profit from this policy, and should be maintained.

Mr President, I should now like to say a few words about the nature of this decision on the basis of a number of remarks which have been made calling variously for reconsideration, revision, reexamination and verification or what have you. I think we must make it clear in this debate what we can do and what we cannot. What we cannot do is move away from our general objective of capacity reduction. What we can do is discuss the implementation of the decision in specific cases, which will naturally involve verifying the technical data and figures etc. underlying our proposal. This verification is possible and will in fact take place during our contact with undertakings and Member States which is why, as I said just now, we attach such importance to on-going consultation, since it is only in the context of this consultation that this verification can take place and the definitive decision be reached. This can be done and will be done and I think, Mr President, that in this way we will be able to influence the problems to which this assembly has drawn attention and the effect which, unfortunately, this decision will inevitably have in the social and employment sector. However, one thing which must be made quite clear in this debate is that our general objective remains unchanged and that a new decision on the part of the Commission is out of the question. The decision has been taken and what we must do now is see that it is properly implemented.

Mr President, I think I can leave it at that and would like to conclude, therefore, by expressing our gratitude for the appreciation which has been shown and for the substantial support which this Parliament has given to this policy.

Mr Davignon, Vice-President of the Commission. — (FR) Mr President, this is a particularly serious debate since we are discussing people, whole regions and the future of an industry which provided the basis for the first step towards European integration. The seriousness of the problem has been expressed throughout the debate. I would like to extend my sincere thanks to all Members of this House who have participated for speaking as they have done. It would have been so easy, in a debate like this, for them to claim that the obligations of others were justified while their own were not. They have done no such thing, and I am grateful to them.

One of the first basic questions which springs to mind is: Are we being over-pessimistic? Are we wrong in our assessment of the steel industry's prospects? Mr Frischmann suggested that we were defending a malthusian principle. I can say, for myself and for my colleagues, that we are examining every possible

means of securing further outlets for the European steel industry. For us, every negative result means a further difficulty. Let me quote you a figure to give you an idea of the scale of the problem: steel consumption in Europe over the past years is down one fifth on the average for 1979-1981, which in any case was not a good period. There have also been structural changes: cars use less steel and more plastic, the steel used is lighter, less of it is needed and so on. Things are changing. Not to recognize this would be to make the same mistake which got us into the present situation. I think we should realize that we can only save the steel industry by a supreme effort of will. When we drew up the code governing aid, we thought that the national governments would have submitted their restructuring proposals to us by September 1982. The latest information which we received from a number of governments dates from 28 June 1983. As we all know, difficult decisions are not made until the last minute. That is one of our biggest difficulties.

I shall now answer a few specific questions.

Mr Glinne, in our view the agreement on the sale of semi-finished products by the British steel industry to the US industry is perfectly compatible with the agreement which we concluded with the US. The situation is clear, but the agreement has not yet been signed by the parties concerned.

To reply to Mr Calvez, we protested immediately against the measure concerning special steels. We shall have to find solutions to these problems in the coming weeks. If the Community continues to act as a body, I think we shall succeed, and we shall try to ensure that until the end of 1985 the industry's intense efforts to adjust will not be hampered by external factors.

On what basis did we select the industrial criteria for restructuring? Why 30 million tonnes? Allow me to repeat — 30 million tonnes is not a Community objective. It is sometimes claimed — for example by Mr Gauthier, and knowing where he comes from and what he does I can understand his emotion — that the decision had been imposed on the industry and that the Community wanted to eliminate the 30 million. Present capacity now exceeds Community consumption by over 50 million tonnes. Until we solve this problem, all our efforts are likely to fail. We must realize the need for change. What would be the point of Europe and the ECSC Treaty, what would be point of the Commission which was set up by that Treaty, if it did not say what it thought, not being subject to the same political constraints as all the national governments? If the Commission did not tell you the truth, what would be the purpose of our institutions and of all the debates about Europe's future?

(Applause)

Davignon

Mr President, I shall now turn to the criteria selected. We chose finished products rather than steel. Why? Because it is finished products that come on to the market, and the imbalance between supply and demand is greatest in the case of such products. Of course, we began by examining all firms and countries to find the oldest and hence least efficient installations. Our analysis was conducted on a European rather than just a national scale.

Then we worked out the situation of these firms on the basis of their production quotas in a Community which applies the ideal of Community solidarity. I can understand the feelings of our Italian friends, but they should remember that if it were not for the Community and its solidarity, the share of the Italian market would not have increased from 16 to 21%. This increase was made because we all cooperated since we recognised that Italy has special problems owing to its late industrialization, and since private Italian steel producers had developed a new process. But when there is an imbalance between installed capacity and actual needs, solidarity is required not only to correct the past situation but also to provide for the future, and this we must do together.

Were we wrong, Mr Glinne and Mr Moreau, in deciding on restructuring before the situation as regards Article 58 was clear? In its decision, in the statement to national Governments and in its public declarations the Commission has pointed out that if Article 58 was not extended under the terms proposed by the Commission, the basic prerequisites for the viability of the entire European steel industry would be jeopardized. This spells danger for all our efforts so far. The two elements are inextricably linked; the political rights and obligations arising from previous decisions made it necessary for us to decide on 30 June; we have combined this with the maintenance of the quota system, which must enter into force on 25 July.

But what are the Commission's objectives in the steel crisis?

Firstly, to ensure the steel industry's survival and put an end to this longstanding crisis which is demoralizing Europe and draining it of its power to react and develop. It is therefore essential for the Commission and Parliament to urge for a revival of the Community economy. Mr Peters and other speakers were right in saying a moment ago that no-one would believe that the Community was in the process of saving the steel industry if they were aware only of the restructuring measures and ignored individual attempts to understand the problem or attempts to revive those regions which have obsolete industries and which need to build a new future.

The Commission has put forward programmes on social questions and on the redevelopment of the

regions, and will stand by them vigorously and without compromise. But these programmes will only succeed if they are combined with an appropriate industrial policy and the restimulation of the Community's technology. Jobs are not created by money alone: they are created by money in the service of specific policies and objectives. That is what the European Council meeting in Athens will be about — the revival of the Community and its real objectives.

We also need an equitable system of quotas which takes account of the problems of small firms and of the difficulties which can arise in those countries, like Greece, which entered the Community relatively late. There is a third objective, one which is shared by the Commission and Parliament. We need to be able to make it clear that without a general European policy we shall be unable to save either the steel industry, jobs, or the regions, and here we face a decision of fundamental importance. We could claim that the Community is not sufficiently united, for we can all argue that our difficulties stem from our partners' lack of solidarity. If that happened, the crisis affecting the steel industry and industry in general would be compounded by a crisis threatening the Community's very existence.

Together we shall be able to create a future for the steel industry and for those regions where the steel industry will cease to be of prime importance. If we are afraid to say to the steel producing regions that their future will sadly be different from what we imagined in 1974, we shall lose the industry and be unable to create the conditions needed to re-establish employment and recreate a future for the regions affected.

(Applause)

President. — The debate is closed.

*Vote*¹

Fisheries

President. — The next item is the joint debate on:

- the motion for a resolution (Doc. 1-482/83) by Mr Battersby and others on the future role of the European Parliament in the implementation of the common fisheries policy;
- the motion for a resolution (Doc. 1-505/83) by the European Democratic Group on fisheries management.

Mr Battersby (ED). — Mr President, in January we, the Community, achieved a common fisheries policy after many frustrating years of tortuous negotiation, argument and compromise. Throughout these difficult years, Council and Commission had our full backing

¹ See Annex.

Battersby

and support. We did our best to accelerate the process towards agreement, to represent the interests of the fishing community and to play a positive, constructive role. Our help was always given willingly, but I cannot say that it was always received willingly. We have constantly had to exert pressure to be consulted before irrevocable decisions were taken, but we were consulted and we were heard.

Now that the basic policy is home and dry Council appears to be less interested in having an involved working partner in the team. It appears to prefer a silent, sleeping partner whose sole function is to rubber-stamp *post facto*. In the euphoric days after the January agreement we were assured by Mr Genscher himself in this House that Parliament would be fully involved in the development of the policy. However, three months later more cautious words were heard. Mr Kiechle on 18 May informed our President that there is no obligation on Council to consult Parliament on the implementing instruments. Council reserves the right to consult on a case-by-case basis. Council will consult on international agreements if obliged to do so by the Treaty. Council had to search back to 1970 for legal rulings to support its position. In other words, Council intends to play by the book, the book written for the old appointed parliament and not for this new directly-elected parliament. This attitude must not be tolerated and the book must be re-written. I propose therefore that the legal services of the three Institutions combine their expertise and define with the participation of the Parliament's Legal Affairs Committee a legal base for Parliament's involvement in the development of the common fisheries policy.

We are already involved in the fishing policy budgets, main and supplementary. We should also be involved in the annual price fixing for fishery products as we are for agricultural. We must be involved in all international fishing agreements and in the development of the social *volet*. We must also be involved in the fisheries aspects of enlargement.

It is essential that we vigorously protest any attempts by the other institutions to reduce any part of our accumulated power and influence and that where we have gained power and influence in whatever sector we defend it and we consolidate it. Therefore I ask the House to show its determination to be positively involved in the development of the common fisheries policy and vote unanimously for Resolution 482 as it stands without amendment.

IN THE CHAIR : MR KLEPSCH

Vice-President

Mr Provan (ED). — Mr President, this resolution on herring — the king of the sea as it was known for a

long time — is necessary because herring was an endangered species. Let no one be in any doubt that the UK herring fishery has been well managed by our fisheries departments thanks in part to the great responsibility shown by the United Kingdom's producers' organizations and the fishermen themselves. They had an original allocation of 45 tonnes per boat per week which was not practicable and not profitable. It was therefore necessary to put them on the same basis as others who had stated that their fishermen could catch what they wished up to their quota and even over it.

Processors in Scotland have stated that if available they could take 1 200 tonnes of herring a week. Unfortunately, we have now caught our provisional quota in the North Sea of 3 000 tonnes. Other States have also caught their quotas but the Commission have allowed one more week before closing the fishery, when they should have taken immediate action. The Commission have not done their job properly. Not one TAC — that is total allowable catch — has yet been settled for 1983. I understand that they are considering a sprat allocation of 275 000 tonnes while the ISIS recommendation is only 225 000 tonnes and therefore it is predictable that there will be more trouble for small herring.

We must have strong management. We must have practical management if there is to be any confidence in the common fisheries policy, otherwise it will fall apart. The responsibility lies entirely with the Commission and you must control it or it will be a shambles. There appears to be a lack of will at the present time and this cannot be allowed to continue and we will be watching the situation very closely as this is a major test for the new common fisheries policy.

(Applause from the European Democratic Group)

Mrs Péry (S). — *(FR)* I have one minute, Mr President, in which to express my dismay at not being able to do my job properly and act as a link between our fishermen and the Community institutions.

I protest at the fact that I am not able to put to the House the concerns expressed by the fishermen, since the documents are not all available, and that I am not able to put all the information to those concerned, when they have a right to it.

I should like to add that I am not getting at the Commission, for I have on many occasions appreciated their help. What we are concerned with is finding an efficient working method. For the present the fishermen know that their government is defending them against the Commission. As far as they are concerned, European fisheries are a distant cause of trouble.

Péry

That is no way to bring about a Community spirit or to gain their trust, which strike me as essential if we want a successful common fisheries policy.

Mr Clinton (PPE). — Mr President, this motion for a resolution clearly expresses the serious concern felt by the fisheries working party, by the members of the Committee on Agriculture and, I believe, also by the Members of Parliament generally, at the coming together of Commission and Council to deliberately exclude the European Parliament from its proper rôle as an important partner with other Community institutions in the future development and implementation of the common fisheries policy.

Parliament, as we know, plays an important rôle in the determination and implementation of the CAP. As of today, we are putting the Commission and the Council under notice that it is Parliament's intention to play exactly the same rôle in relation to fisheries.

In Article 38 of the EEC Treaty, agriculture and fisheries are coupled in exactly the way in which we see it should be. If this is not freely conceded, then the necessary steps will have to be taken to see that it is. As far as I am aware, it has been acknowledged by both the Commission and the Council that Parliament has played a very active part in every aspect of the fishing industry since the direct elections in 1979. It is a direct link between the fishermen and the Community, and this democratic dimension must be maintained and further developed.

There is no way in which a worthwhile fisheries policy can be implemented from a central bureaucracy in Brussels without the involvement, the trust, the confidence and understanding of those engaged in every segment of the industry at local level in all the Member States.

I fully realize that this is not going to be an easy task, but there is no other way that has any hope of success. We are told by the President of the Commission that, because a European Parliament with no direct mandate from the people, back in 1976-77, agreed to a basic regulation which excludes Parliament from playing its rightful rôle, this Parliament, which has a mandate, should humbly accept an arrangement whereby we could be kept informed of the Commission's proposals but be powerless to do anything about them. This is simply not acceptable, and the sooner that is understood the better.

If the European Community is ever to succeed in its laudable aims and objectives, the Parliament's powers must be constantly strengthened. It must, as soon as possible, become a real parliament with the power to take decisions and act on behalf of all the Member States in carrying out agreed common policies.

There is no policy that I can think of more suited to global treatment than fisheries, and here is where we

should start on sound foundations and lead the way. In trying to make my contribution to this debate. I have deliberately refrained from going into detail. The concerns felt and the changes required are spelt out in the resolution.

In regard to the motion tabled by the European Democratic Group, I want to say that I am largely in agreement, subject to a short comment I want to make. Paragraph 4 calls on the Commission for monthly reporting. I think this is unreasonable and unnecessary. If we had quarterly reporting, I feel it should be sufficient.

In regard to herring fishing in the North Sea, I would call the attention of the House, and particularly the attention of the Commission, to the special problems of fishermen in certain regions where they only fish for mackerel and herring and are only geared to this kind of fishing. No authority should have the power to deprive them of half their livelihood without compensation of any sort. We have to consider the human side of things. If we fail to look at the problems of the fishermen, we do not deserve to succeed.

With these few reservations I fully support the resolution.

Mr Kirk (ED). — (DK) Mr President, I should like to join the previous speaker in saying that the Commission bureaucracy in Brussels responsible for fisheries obviously wants to dictate future developments in fisheries policy without consulting anyone else. They do not want Parliament to have any say in the matter — they simply want to sit down in Brussels and decide on everyone else's behalf what form the common fisheries policy should take. It is virtually impossible for the fishing industry in the Member States to influence in any way the decisions tabled by the Commission. It could, in theory, exert some influence through the European Parliament, but even this is impossible in practice since the Commission does not want to hear Parliament's opinion.

However, has the Commission had any success with its fisheries policy? Have its proposals not been one fiasco after another? The most recent example we might quote is the proposal on herring fishing in the North Sea whereby the Member States accepted an *ad hoc* solution giving the Netherlands special permission to carry out its matie herring fishing. What did this lead to? It led to considerable overfishing on the part of the Netherlands amongst others. We have reports from fishermen that the Netherlands has caught 30 to 40 thousand t herring, although it was only authorized to catch 3 000 t, and at the same time we have reports from the Shetland Islands of three big Russian factory ships taking herring off the hands of Scottish and Norwegian fishermen. Thus the situation is completely out of control.

Kirk

And then there is the Commission's final proposal for the 1983 herring distribution whereby 9% is allocated to the country which traditionally had the largest share of herring fishing in the North Sea, i.e. 40%. Mr President, the Commission has, I think, demonstrated that it is unable to conduct an equitable fisheries policy without assistance, and I would therefore call on the Commission to withdraw its proposals and work in future on the basis of the fishing traditions of the various Member States so that fishing may be brought into line with the available capacity in the various Member States.

Mr Brøndlund Nielsen (NL). — *(DA)* Mr President, as I see it, the question of fisheries policy represents a very serious test for the development of the Community, and I must unfortunately say that we would appear to be heading towards a crisis as regards the ideals of those of us who wish to see the promotion of European cooperation under the political control of this Parliament. It seems to me that the Commission is quite blatantly opposing this ideal, as has already been pointed out by several other speakers. In spite of the many years we in Parliament have unwaveringly endeavoured to be involved in the development of a constructive common fisheries policy, the Commission has constantly tried to keep Parliament out of it, and this is a serious matter when we have a new area of policy to deal with after this Parliament has been directly elected and where developments in common policy are called for. It is vital that we have a common fisheries policy since the fish in the sea do not recognize borders. At the same time, therefore, we should be moving towards greater parliamentary control, but the Commission is disregarding these ideals. In this area where we could see a move towards a common policy and towards parliamentary control go hand in hand, we are witnessing the exact opposite. On the one hand the policy as it stands is not going to lead to a rational common policy and Parliament is being deliberately excluded. I should like to make an urgent plea for a reversal of this trend, so that we can finally get some constructive work done.

Mrs Ewing (DEP). — Mr President, I had a letter recently from the Scottish Fishermen's Federation who are in utter despair. They did not drink champagne or celebrate with euphoria when the common fisheries policy was hailed as a superb deal by the UK Government. Nevertheless, they were prepared to see what could be made of it.

They point out that we are now into the seventh month of 1983 and that the two great boons that were promised — policing and certainty — have neither of them become a reality. As has been said, there is no TAC certainty, and here we are in July. You cannot plan ahead in a fishing industry when you simply do

not know your catching opportunities. That was one of the boons.

The other boon, policing, has not been realized either because the team of flying inspectors of 30 has been whittled down. Furthermore, these inspectors will have no power to arrest vessels caught fishing illegally.

I support these resolutions and I have gone a bit further with an amendment to suggest that there be a full fisheries committee. Fisheries is not agriculture. It never will be agriculture and to put it under the umbrella of agriculture is really not fair to the fishing industry. If there were a full fisheries committee, I think that it would be harder for the Commission to be as debonair as it seems to be in discarding the views of this Parliament and not wanting us to express them on a regular basis. That is why my colleague, Mr Nyborg, and I have tabled amendments to that effect.

The request for constant consultation is fair. It is elementary. It is just. But the point is that without it the fishing communities will have no confidence whatsoever. They have no confidence at the moment, because the Commission opened herring, for example, with no consultation. The quotas given to Norway came to an amazing amount. How on earth can anyone have confidence unless there is constant consultation?

I support the two resolutions.

Mr Adamou (COM). — *(GR)* Mr President, there are in Greece a large variety and number of fishing vessels with a total fleet of 11 000. 75 % of these vessels are over 20 years old and do not have the necessary equipment. In its resolution of 25 January 1983, the Council of Ministers made it a prerequisite for the replacement and modernization of fishing vessels that they should be over 12 metres long, while the condition for dismantling old vessels is that they must be more than 18 metres long. However in substance these conditions prohibit the modernization of the Greek fishing fleet, because most of the vessels are less than 12 metres long.

Could the Commissioner responsible for fishing inform us as to the measures which the Commission proposes with a view to overcoming this obstacle and to modernizing Greek fishing vessels as well?

Could he also tell us what immediate measures the Commission proposes for the expansion and modernization of Greek fishing harbours, for the development of fish farming and for combatting pollution in the harbours and bays which are suitable for fishing.

After all, referring the issue of modernizing Greek fishing to the integrated programmes for the Mediterranean rings of the notorious Greek calends.

Mr Papapietro (COM). — *(IT)* Mr President, we support Mr Battersby's motion for a resolution. We can at last make a start on a common fisheries policy.

Papapietro

I would like to point out once again the fact that although it was arguments over herring which held the fisheries policy up for years, our success in settling this problem does not mean that we should tackle only this type of problem. The other problem appears in neither Mr Battersby's motion nor Mrs Ewing's. It should be remembered that Europe has two different kinds of fishing, and that southern — by which I mean Mediterranean fishing — differs not only in the size of the boats and in its social aspects, but also because in the Mediterranean regions the relationship between land and sea is different, and that is something which has not been taken sufficiently into account. There is small-scale fishing involving thousands of individuals, and we should turn our attention to the structural problems of marketing and processing. That is what I should like to hear something on from the Commissioner at the close of our debate.

Mr Contogeorgis, Member of the Commission. — (GR) Mr President, I have listened very attentively to what has been said on the highly sensitive topic of fishing. Some of the main speakers openly suggested changing the regulations which the Council of Ministers accepted and approved on 25 January. The President of the European Parliament expressed Parliament's concern with its participation in fisheries policy in a letter addressed to the President of the Commission, Mr Thorn on 14 April. The Commission took the matter very seriously and examined the issue in depth; its views are expressed in two letters — one which President Thorn addressed to the President of the European Parliament and one which I myself sent to the Chairman of the Committee on Agriculture. In these letters the Commission briefly explained both the legal reasons, i.e. the existence of the regulations of 25 January, and the tactical reasons which at the time led the Council of Ministers to adopt a simplified procedure for the approval of the regulations on duties, quotas and technical control measures without hearing Parliament's opinion in advance. For the same legal and substantial reasons the Commission decided not to submit the regulations for 1983 to the Council on the basis of Article 43 of the Treaty.

The practical reasons mainly concern the need for urgent decisions and measures with a view to conserving fishery resources. For example, there are arrangements which ensue from agreements with third countries and this applies to most fish stocks of interest to Community fishermen. Successful management of Community fisheries demands the application of a simplified and rapid procedure which would be inapplicable in practice if it were also necessary to seek Parliament's opinion in advance, a procedure which is relatively time-consuming.

There are also cases in which the negotiations for an agreement with a country are long drawn out. At some point the agreement is concluded and has to be implemented immediately. No time can be wasted. For example, this applies to the agreement which we have just concluded with Norway on fisheries management in the North Sea.

Mr President, as regards the procedure for approving the periodic regulations implementing the common fisheries policy, I would also like to draw the Parliament's attention to the regime which applies in the agricultural sector. We must admit that in this sector the Community's decisions are normally less urgent than in the fisheries sector and that moreover they do not depend on short-term agreements with third countries. However in the common agricultural policy only the general rules on intervention, returns and contributions have been approved by the Council pursuant to Article 43 of the Treaty after hearing Parliament's opinion, whereas the details concerning the implementation of agricultural policy are decided on without any such consultation procedure.

In the same manner the Council, when deciding on the common fisheries policy on 25 January, laid down the general rules and guidelines for the development and application of the common fisheries policy pursuant to Article 43. Certainly Mr President, it goes without saying that in view of the fact that pursuant to the basic regulation, the periodic regulations — generally annual ones — for the application of this policy will take effect without formal consultation of the Parliament, these periodic regulations will have to be in line with the general rules and guidelines contained in the regulations already approved.

Thus, Mr President, as regards the actual development of the common fisheries policy, the Commission's proposals will in future too be based on Article 43 of the Treaty and this means that Parliament and the Council will have to reach an understanding. This applies in particular to the official framework agreements in the fisheries field which are to be concluded with third countries and to changes in the allocations of quotas or the rules of access, whenever such a modification proves to be necessary pursuant to Article 4 (2) and Article 8 (2) of Regulation No 170 of 1983, i.e. the basic regulation which was approved in January. In these sensitive cases of particular political importance the formal opinion of the Parliament will be sought and, as usual, the Commission will pay due attention to this opinion. Accordingly, Mr President, the Commission does not think that the claim made in the resolution concerning an attempt 'to exclude the European Parliament from the discussions on the future evolution of the common fisheries policy'

Contogeorgis

correctly reflects the Commission's intentions. Moreover, Mr President, I should like to remind the House that President Thorn and myself proposed that the Commission should keep Parliament regularly informed on current developments in the common fisheries policy and that it should elucidate all aspects of its proposals. Naturally this means that the Commission will carefully examine the Members' opinions with a view to taking them into account when working out further details of its proposals. Mr President, this has been the approach adopted up to now and we will continue it. I am certain that this will give a further boost to cooperation between Parliament and the Commission, which has been so fruitful in this field.

Mr President, I now come to the motion for a resolution which concerns in particular herring fishery in the North Sea.

Following the agreement with Norway concerning fisheries in the North Sea, which was concluded after protracted negotiations and in view of the urgent nature of the issue and the Council's decision, the Commission proposed a temporary herring fishery regime both for Norway and for the Member States until such time as the Council should make a decision.

Unfortunately the Council could not reach a decision on 30 June and consequently the period of validity of these temporary regulations has lapsed. The Council which, as was rightly stressed, is responsible for implementing Community Law, discussed the issue the day before yesterday and decided to prohibit herring fishing for Netherlands, United Kingdom and Norwegian vessels because these three countries had exhausted the provisional limits which had been approved. The Council's decision will take effect on 12 July. Of course the question arose: Why not immediately?

The reasons are as follows:

Firstly, the immediate cessation of fishing will have vast economic consequences for fishermen at present fishing in the North Sea and they need a breathing space of a few days in order to make accommodations. Secondly, there would be severe repercussions on our relationships with Norway, a country with which we are obliged to maintain excellent relations, so that we can regulate fishing in our common fishing grounds in the North Sea. There is no reason why this country should suffer painful consequences because the Council of Ministers was unable to reach agreement by 30 June.

The third reason is that the Council of Fisheries Ministers are to meet on 11 July. Consequently if no agreement is reached at their meeting, the Council's decision prohibiting herring fishing in the North Sea will

automatically take immediately effect the following day.

Mr President, these are the comments I wanted to make on herring fishing. The issue of control of fishing has been raised, and particularly forcibly by Mrs Ewing. I would like to say that the control of quantities fished and landed is the responsibility of the Member States. Thus each Member State is obliged to control the fishing vessels in its economic zone and in its harbours so that it can ensure observance of the rules which have been introduced in connection with conservation and control. The Commission can participate in the inspections which are carried out by the Member States. To this end and on the basis of the decisions taken in January, a team of Community Inspectors is at present being created which should start work next Autumn and which will participate in the monitoring activities of the Member States in harbours and on fishing vessels.

Mr President, as the decisions were taken only three or four months ago, it is not easy to establish a team of Community Inspectors suitable for the job from one day to the next. We are completing the work of selecting and setting up the team and I hope that from September on this team of Community Inspectors will be in a position to cooperate with the responsible inspectors in the Member States and to exercise real supervision regarding the observance of the Community decisions.

Mr Adamou made a comment on the modernization of the Greek vessels. I would like to say that this topic has been raised by the responsible Greek minister and is being examined by the Council, which should reach a decision on this and on the other aspects of the Community fisheries policy on 11 and 12 July.

Mr President, these are the observations I wanted to make and I would like to thank you very much.

President. — The debate is closed.

*Vote*¹

Heavy vehicles

President. — The next item is the motion for a resolution (Doc. 1-535/83) by Mr Seefeld and others, on behalf of the Socialist Group, on compliance with the regulations on rest periods for lorry and coach drivers.

Mr Seefeld (S). — (DE) Mr President, ladies and gentlemen, the tourist season has begun. Once again millions of citizens of the Member States and elsewhere will take advantage of this time to travel. They will use a whole range of means of transport, including buses. Naturally, we in this European

¹ See Annex

Seefeld

Parliament hope all these holiday makers will enjoy their trips and come back refreshed, and we are pleased that it is possible in our Community to travel around without constraint, even if we deplore the fact that holdups and long queues still occur as a result of unnecessary checks. Something must be done about this situation.

However, we should also feel some concern at the excessive number of accidents and road deaths, and we are afraid that once more, during this holiday period, human life and health are particularly at risk. Year after year, accidents involving more than a million and a half injured and over 50 000 killed occur on the roads of the European Community. These are statistics, but those affected, the mothers, fathers, children and friends, have been dealt a cruel blow by fate and every road death is one too many. My colleagues in the Committee on Transport regard it as one of our most important tasks to do all we can with a view to increasing road safety, and we indeed intend to do every thing in our power.

Today we should like to appeal to all drivers of buses and lorries and the companies they work for. You bear a great responsibility for human life and property. We call on you to do your bit with a view to keeping the number of accidents over the next few weeks as low as at all possible and avoiding fatal incidents. This can be done by strictly observing the regulations in force and we feel that safety must take priority over profit. We do not want to point a finger at anyone in particular but we would call on people to observe the rules and I hope that we will succeed in letting reason triumph and that there will be as few persons injured or killed during these months as possible. We hope our motion for a resolution will make a small contribution in this respect.

Mr Moreland (ED). — Mr President I shall make just one point in the minute available to me. It is quite simply that much of the recent press publicity over the accident has focused on the abuse of Community drivers' hours legislation. It is clear that the Commission must take firmer action to ensure that Member States enforce drivers' hours legislation. In the Committee on Transport, we said this on at least two previous occasions and nothing has happened except that we get reports which are two years out of date on what the Commission thinks is going on. The Commission really does have to take tougher action and make it clear to the Member States that they must abide by the law.

Secondly as we all know, the drivers' hours legislation is in certain aspects out of date. Anything that encourages abuse of the law — in other words, bad law encourages abuse of the law — must be reformed. It is important that the Commission presents its reforms of the drivers' hours legislation and also fulfils its obligations following the introduction of the common driver's licence by coming forward with the proposals on drivers tests.

I hope, therefore, Mr President, that Parliament will support my amendments to this effect.

Mr Contogeorgis, Member of the Commission, — (GR) Mr President, the Commission fully shares the views expressed by Mr Seefeld and Mr Moreland concerning the number of accidents and their frightful consequences. Although it is not certain that they are always due to laxity in implementing Community regulations concerning the working conditions of the drivers and crew, it seems nevertheless that at least some of these accidents may be due to failure to implement Community rules.

After many years experience in the application of Regulation 543 on the working conditions of vehicle drivers the Commission held detailed discussions with the groups concerned and with Parliament's Committee on Transport under the chairmanship of Mr Seefeld; it has now almost completed the amendment of the existing regulation with a view to improving the working conditions of the crews. Likewise the final details are being put to a Directive concerning the implementation of all these Community regulations.

Mr President, I hope that this will help to improve the situation

President. — The debate is closed.

*Vote*¹

Twelfth Energy Conference

President. — The next item is the motion for a resolution (Doc. 1-483/83) by Mrs Walz and Mr Linkohr on behalf of the Socialist Group, Mr Salzer on behalf of the Group of the European People's Party, and Mr Purvis on behalf of the European Democratic Group, on the Twelfth World Energy Conference in New Delhi from 18 to 23 September 1983.

Mrs Walz (PPE). — (DE) Mr President, when we consider the problems of the developing countries, we see that they are largely due to shortage of energy. We cannot be indifferent to the plight of the developing countries, and without actually going into the moral aspect of the question or the relevance of the disparity between the North and South from the point of view of world peace, I should nevertheless simply like to point out by way of explanation that we obtain a large proportion of our raw materials and energy from those countries and that we have our exports to the developing countries to thank for a large number of jobs.

The last World Energy Conference in Munich therefore rightly stressed this aspect, i.e. that the fates of the industrialized and the developing countries are intertwined as regards economic and energy questions,

¹ See Annex.

Walz

and for this reason we have submitted a proposal for the Twelfth Energy Conference in New Delhi which once more stresses the need for cooperation and the preparedness of the Community to take part in such cooperation, and makes practical suggestions for improving the energy supply situation. The Committee adopted this proposal unanimously with one abstention, and we call on Parliament to adopt it here today.

Mr Eisma (NI). — (NL) Mr President, I very much admire the motion for a resolution tabled by Mrs Walz and Mr Linkohr and welcome the fact that it has been tabled at such an opportune moment. However, I should like to make one brief point in connection with paragraph 1 which rightly draws attention to the fact that indigenous population growth is one of the factors which is bound to lead to high energy consumption. Since an unbridled increase in population would also have disastrous consequences from the economic and social point of view, rational family planning should form an integral part of economic and energy policy.

Mr President, in paragraphs 10, 11 and 12, nuclear power is recommended as a way of easing the situation in the developing countries. We do not go along with this since, in the longer term, only fast breeder reactors would provide a solution, and we are opposed to these for both political and security reasons. Ordinary light water reactors could only operate for 30 years or so because of the shortage of uranium supplies, after which we must hope that solar energy and nuclear fusion will have solved our energy problems — and until then there is more than enough coal.

Mr President, I should like to conclude by saying that we support all the amendments aimed at deleting the recommendation regarding nuclear energy, and finally, we join all those who, together with the authors of the resolution, regard the forthcoming Twelfth World Energy Conference in New Delhi as a decisive event and wish it every success.

Mr Davignon, Vice-President of the Commission. — (FR) Mr President, we are delighted at this initiative taken by the House, and by the Committee on Energy. Rather more than six months ago we had the opportunity of discussing the New Delhi conference with the Committee on Energy. We have submitted our documents and we, the Commission and the Parliament, shall be side by side at New Delhi. Generally speaking we are in favour of this new step, and I think it is important that at New Delhi the Community is heard through both the Parliament and the Commission.

President. — The debate is closed.

Vote¹

Human rights

President. — The next item is the joint debate on the motions for resolutions on human rights². I only hope that no-one asks to speak, since otherwise there will be no time left for the vote. I must ask the authors if they wish to present their motions.

Mr Schmid (S). — (DE) Mr President, do you really think there is any point in dealing with the human rights questions now in 30 seconds? This House is beginning not to take itself seriously any longer. You should not allow it.

President. — Mr Schmid, you are perfectly aware of the reason: Members all exceed their speaking time on matters which are perhaps just as important.

Vote³

HABSBURG MOTION FOR A RESOLUTION (DOC. 1-547/83 'RELIGIOUS FREEDOM IN MALTA')

Mr Schmid (S). — (DE) The Socialist Group protests against Parliament dealing by urgent procedure with the matter raised by Mr Habsburg. We consider that the matter is not urgent and does not involve any limitation of religious freedom in the true sense. The law which has been passed in Malta on the treatment of immovable church property with the exception of chapels and churches has not been implemented. The Foreign Minister of the Republic of Malta is at this moment negotiating on this matter with the Secretary of State at the Vatican.

We feel that we would upset the negotiations if we decided by urgent procedure that it is not a good thing without examining the eight-page text of the law and without looking into the negotiations which have been going on between Malta and the Vatican since 1976 — the minutes of which already make up a sizeable volume. We are therefore against the motion for a resolution before us since we do not

¹ See Annex.

² The six motions for resolutions are the following:

- Lalor and Israël (Doc. 1-533/83) on the situation of the Baha'is in Iran
- Lenz and others (Doc. 1-546/83) on the violation of human rights in Iran
- Habsburg (Doc. 1-547/83) on the threat to religious freedom in Malta
- Vayssade and brothers (Doc. 1-538/83) on the burning of brides in India
- Pelikan and brothers (Doc. 1-534/83) on the arrest of Ladislav Lis
- Fullet and others (Doc. 1-536/83) on the situation of the Jewish community in the Soviet Union.

³ See Annex.

Schmid

agree with this — forgive me the expression — dilettante kind of foreign policy. The purpose of our amendments is to avoid the worst.

Mr Papapietro (COM). — (IT) Mr President, I protest at the fact that we are discussing a matter like this, which has already affected our relations with Malta, in an almost empty Chamber and outside the timetable laid down by the Rules of Procedure.

Commemoration of Raphael

President. — The next item is the motion for a resolution (Doc. 1-548/83) by Mr Ghergo and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), on the commemoration of Raphael.

Mr Ghergo (PPE). — (IT) I do not believe, Mr President, that there is any need to go into detail on this resolution, and speaking to the House of Raphael would smack of presumption.

This motion for a resolution proposes that this year, 1983, which is the five hundredth anniversary of the birth of the greatest artist of all time, should be designated the year of Raphael, and that the Commission should take every opportunity to celebrate this centenary.

Raphael's unparalleled legacy to humanity, works of art giving joy and spiritual inspiration to all mankind, deserves our admiration and gratitude for all time.

By this formal tribute the Community will be affirming its awareness that culture is the essential bond in the integration of Europe.

President. — The debate is closed.

*Vote*¹

With this item we come to the end of the topical and urgent debate^{2 3}

(The sitting was suspended at 1.25 pm and resumed at 3.30 pm)

IN THE CHAIR: MR VANDEWIELE

Vice-President

3. *Economic situation in the Community*

President. — The next item is the report (Doc. 1-474/83) by Mr Bonaccini, on behalf of the Committee on Economic and Monetary Affairs, on economic trends in the Community during the first half of 1983 and the application of the Council Decision on convergence.

¹ See Annex.

² For the motion for a resolution (Doc. 1-550/83) by Mr Ephremidis on the destruction of agricultural production in Greece caused by the recent violent storms, no requests speak were received. For details of the vote, see Annex.

³ Agenda — Membership of the ACP-EEC Consultative Assembly: see Minutes.

Mr Bonaccini (COM), rapporteur. — (IT) Mr President, we now have four years of crisis behind us, during which the warnings in our half-yearly reports on the economic situation in the Community have been ignored no matter how accurate the work of my predecessors.

Consequently, the Committee on Economic and Monetary Affairs asked itself this year whether it might not be worthwhile abandoning the ritual of previous years in favour of a style and content more consonant with the serious condition in which Europe finds itself, already highlighted in the debates which followed the realignment of our currencies, the extraordinary part-session on unemployment and the Williamsburg and Stuttgart summits.

In addition, we agreed to abandon on this occasion at least our numerical contortions on forecasts, which are all too easily and all too quickly praised, denied, downgraded and are regularly confounded by reality.

The report which we put to the House identifies general trends and indicates guidelines for measures suitable for consolidating and expanding the positive features in those trends, eliminating or reducing those which are negative, and overcoming our difficulties in attaining unity and solidarity within the Community.

The measures which are called for are consequently no substitute for the regrettably long list of problems to which we have devoted our attentions and the solutions which we each personally prefer; they do, however, represent what can be done within a six to twelve-month term and what may receive the broadest support of Parliament with a view to strengthening the chances of a healthy and lasting economic turnaround and allowing a real and lasting move away from unemployment.

The special measures relating to youth employment in paragraph 19, the reduction and reorganization of working hours to be negotiated by both sides of the industry, and the creation of new jobs referred to in paragraph 18, all aim at achieving the employment aim enshrined in paragraph 17 and the priority action in productive investment and support for the lowest incomes.

If our work is rendered fruitless by mere ideological argument — though it may be useful in other circumstances — it will be all the more difficult for our voice, as a Parliament, to have the authority to influence government policy and Commission and Council decisions.

1983, then, will not go down in history as a year of outstanding economic performance. The negative outcome of 1982 still weighed heavily on it, but a new trend seems to have become discernible during the last few weeks: its detail is not yet clear but its general outlines are not in doubt. Even in Italy, where it was late to appear and, in the final analysis, has

Bonaccini

been only faint, the view of industry is that the worst is over and that it is now possible to work towards overcoming the uncertainties and difficulties which still stand in the way of a real upturn in the European economy.

This situation is the result of external and internal factors set out in recital F.

Our control over external factors is negligible, and that is why we propose measures which positively reflect the interdependence which exists at world and European level. Paragraph 7 reflects the considerable time spent on seeking a balance between the various views on the Williamsburg summit. As rapporteur, I cannot accept any amendment whose effect will be to change its meaning. The four sub-paragraphs of paragraph 8 indicate examples of positive action which could and should be taken during the half-year which has just begun, precisely on the principles set out at Williamsburg. Paragraphs 26, 27 and 28 concern the closely-related question of Community monetary policy. They reiterate the basic objectives of the European Monetary System, which we have tackled previously in this House; short-term progress towards financial integration is considered possible by extending the private and public use of the ECU and consequently avoiding the short-term runs on particular currencies which have proved to be so futile.

We should be in control of internal factors, but it is not clear that that is what is always wanted. Paragraphs 9 to 21 of the motion for a resolution concern this question. Paragraph 6 sets out the central objective of any European initiative: a real and lasting recovery in employment through orderly and stable growth in the production sector. Not therefore, a sheaf of miscellaneous initiatives, nor an injection of capital, nor some drastic and irrational reduction in deficits, but 'mixed and balanced policies aimed both at stability (combating inflation) and developing productive activities'. This is the heart of the matter, and it is taken and analysed further in paragraphs 10 and 11, which are likewise the fruit of a long and arduous path to agreement in committee and by which your rapporteur will stand to the finish.

The most serious aspect of certain budget deficits is the fact that, in some cases, current expenditure is not financed from current income. This is a structural question which must be tackled most rigorously in the fight against inflation.

Paragraphs 14 to 17, on the other hand, are particularly concerned with incentives to production: progress can be made during the timescale we have allowed ourselves, and at the same time we can strengthen the structural foundation of productive activities. It is for this reason that we stress restructuring and rationalization within a global strategy for industrial competitiveness in Europe, product and process innovation, the coordinated use of the Community structural funds and the implementation of programmes coordinated between Member States and regions.

Our continuous references to the short time-period which we set ourselves does not mean that we should not have a broader view of changes over the medium term. Paragraph 25 reminds us that the natural framework for this action remains the objectives set down in the fifth medium-term economic policy programme of the Community, which is one of the forgotten treasures in the management of the Community, and draws attention to the duty to provide 'five-year forecasts covering the main macro-economic variables', which we hope to see in the now not so distant end-of-year report.

Recent public events have once again drawn attention to a disturbing loss of momentum in the processes of integration, convergence and policy coordination which already existed in the Community. Some may have already noted that a two-tier Europe already exists, and this is a potential cause for the disintegration of the Community itself. The urgent procedure for preparing the December summit in Athens may have a better chance of achieving its objectives if we help with economic convergence and reduce the differences and the divergences.

Our motion for a resolution deals with this point in paragraph 25, where it refers to the EMS, which I have already mentioned, and in a series of specific articles based on the Council decision of 18 February 1974, as well as in the paragraph relating to the internal market, which the Commission particularly requested and which is therefore to be added to the many existing statements by this House.

Had I believed that the simple pressing of a button would release our society from the economic and social crisis which has beset it for so many years, I would have done it. But I am convinced that no further simplification is needed to understand the situation or to propose positive solutions, particularly when time is so short. That is the reason for the structure of the report which I have set before you: an attempt to restore meaning to an instrument of policy and of parliamentary control which has been weakened by the years of crisis. It deserves our full support in its attempt to improve the economic situation, precisely because it increases our awareness of major structural aspects of the crisis itself and even the cultural background which created it.

I call upon the House to give its full support to the report of the Committee on Economic and Monetary Affairs.

(Applause from various quarters)

Mr Rogalla (S). — *(DE)* Mr President, the Bonaccini report is part of the regular observation of the economic cycle of the European Economic Community. The pulse of the economic body called the 'European Community' is thus being taken. We must point out at this juncture that we are dealing with a communication from the Commission and that, while the

Rogalla

Commission does not carry out any compulsory consultation of this House, it considers it advisable to hear Parliament's views annually or even six-monthly on matters of economic policy.

I consider that both right and necessary. We are dealing with matters of economic policy within the European Economic Community, which are not in fact very wide-ranging and can be dealt with under only two main headings, namely cyclical policy on the one hand and the balance of payments on the other. We know that in the economic sphere there are many remedies and many masters recommending this, that or the other remedy, and we also know that the opinion of this Parliament, and regular observation of this economic cycle, are crucial when it comes to deciding in which direction the individual governments should be encouraged to pursue their policies.

We members of the Committee on Economic and Monetary Affairs have of course considered whether such frequent intervention and such frequent observation by Parliament are appropriate in view of the expert knowledge of the Commission, but, after lengthy deliberations, we have come to the conclusion that we really cannot speak often enough in this House on the development of economic policies, because the well-being or otherwise of all of us depends on them.

I should particularly like to thank Mr Bonaccini on behalf of the Socialist Group for resisting the temptation to come down in favour of one extreme view of our economic policies or another. He has taken great pains to steer a middle course. If anyone seeks more extreme solutions, he has only to look at the amendments tabled by Mr Welsh, which our Group unfortunately cannot support: these amendments aim at encouraging spontaneous healing in matters of economic policy, for instance by strengthening competitiveness. Thus, he takes the traditional line which, unfortunately, has all too often failed at various times and places. On the other hand — and this I will also freely admit — the state should not have sole control of the economy. And so my thanks to Mr Bonaccini, who here, as I have already said, has found a middle course.

There are essentially three amendments, namely Nos 17, 18 and 19, on which the support of our Group depends. In these amendments, concerning those economic structures in which economic equilibrium has to a great extent already been achieved, an economic policy is recommended which aims at further reducing the rate of inflation, but also takes advantage of the upsurge in the economy to promote a policy of financial expansion which, in turn, will be advantageous to the lower income groups and which therefore, in the end, will permit appropriate wage agreements and also increase the purchasing power of the less affluent sections of our population.

I should like to raise two further important points, namely paragraphs 5 and 18 concerning unemployment. The future of our economy will depend largely on how we tackle the problem of unemployment. In my opinion paragraph 18 of the motion for a resolution offers an appropriate remedy: the social partners must negotiate a reduction, adaption and reorganization of working hours. It is quite obvious that they will not do this in order to paralyse the economy, and in this we must have confidence in them.

Our last point concerns paragraph 20, in which it is made perfectly clear that the economy of our Community depends on the full achievement of the internal market, and now we have achieved a certain freedom of movement in the traffic of goods, we must ensure favourable and generally harmonized legal and fiscal conditions. The aim of this report is to encourage moves in this direction, and with this we are in complete agreement.

Mr von Wogau (PPE). — (*DE*) Mr President, firstly, the problem of unemployment in Europe, and in particular that of youth unemployment, has reached dramatic proportions. Secondly, we are still living in a period of no growth; we are all still waiting for the upturn in the economy and can only find signs of an upturn in individual countries in particular sectors which leads us to wonder whether these signs will ever in fact come to fruition. Thirdly, we live in a time when the level of investments is still too low and unable to cope with the demands we have to make of it, and when interest rates are still too high.

In the debates which take place in this House, reference is made time and time again to interest levels in the United States, to the fact that interest rates there are too high and, in particular, to the United States budget deficit, which is held to be mainly responsible. That is, of course, correct. Interest rates there are still high, one of the reasons being the United States budget deficit, European interest rates are forced up in the wake of the American ones, and this is preventing an upturn in our economy. We must make this quite clear in conversations with our American friends as well. But we must not lose sight of the fact that there are huge deficits in the European budgets as well, and thus there is the same pressure on interest rates here. If we do not succeed, ...

(*Applause*)

... in setting our house in order here in Europe as regards the demands made on the capital market by public spending, we can with even less effect make this reproach to our friends in the United States. The only ray of light which I can find at the present time is the fact that the inflation rate has gone down in all countries, or at least overall in the countries of the European Community, and this is without doubt a vital starting point for the lasting recovery of the European economy.

von Wogau

Now to the Commission's communication and the report by Mr Bonaccini. We in the Christian Democratic Group welcome in principle both the report and the Commission's proposals. We are concerned about only one point, namely the question of how these proposals are to be implemented, and here I am of the opinion that the European Community still has too little leverage when it comes to contributing to a greater degree of convergence within the Community. I wonder what contribution Parliament can make and also what the Commission itself can do to point out when various countries in the European Community repeatedly diverge from these recommendations. Surely our Parliament should one day reach a point where the regular discussions which we hold are no longer purely theoretical, but lead to practical initiatives affecting the budgetary policy of the individual Member States of the European Community, so that what we are debating will not remain theoretical but will genuinely be contributing to a greater degree of convergence in the European Community.

As far as the report by Mr Bonaccini is concerned, I should like to speak to two points on which we in the Christian Democratic Group have tabled amendments. One point concerns support for those on low incomes. Here, we agree one hundred per cent. But what happened in our neighbouring country, or rather in the one in which we find ourselves today, in France, when, over a period of a year, such a policy was implemented? This policy did produce impulses, but only concerning imports. Whereas on the one hand imports, particularly from Japan, increased to an unexpectedly high level, on the other hand the expected, favourable effects on French production failed to materialize. And so I believe that we must fairly and squarely face up to the fact that, if we wish to increase incomes in the European Community again, this is only possible if we succeed as a Community in getting the economy moving again in the right direction.

The second point concerns the call made in paragraph 11 of the report for those countries whose economic situation is favourable to pursue a less restrictive budgetary policy. Now I ask you, honestly — we're not living on the moon but in the European Community — which country in the European Community is that remark aimed at? Which country in the European Community has a healthy budgetary deficit? It is always the same country which is referred to: my native land, Germany. Here we still have a budgetary deficit, a borrowing requirement of the order of 40 000 million, and I am not of the opinion that in this situation we can demand that we be less 'restrictive'. I believe that a relaxation of restrictions would lead precisely to renewed pressure on interest rates, and that that would mean an end to the upturn, once and for all.

In conclusion, I should like briefly to point out that in our opinion there are two things that we must do to provide the only impetus which we, as a European Community, should give, to create the right environment for recovery. We must create the right environment for innovation as well as for making available capital for that innovation. We must ensure that the climate is improved for small and medium-sized enterprises, from whom the most important innovations have come in past years, and who in particular, to an even greater extent than all others, have created jobs. Thirdly, we must, as a framework for these activities, create an open internal market, a demand which is contained in Mr. Bonaccini's report and which we fully support.

(Applause)

Mr Welsh (ED). — Mr President, I would like to start by offering my most sincere compliments to the rapporteur, Mr Bonaccini, on the way in which he has produced this resolution. He did not have an easy job and it is not easy to reconcile the various detailed points of view that exist in the Committee on Economic and Monetary Affairs. But he has shown great flexibility, great imagination and great suppleness and I hope he will accept my warm congratulations therefor.

Mr President, it is nearly the end of the session and perhaps now at the outset of the holidays we might adopt a mood of cautious optimism. We spend a lot of time beating our breasts in this place and saying how terrible everything is. But we ought occasionally to have regard for some of our successes — and there have been some successes in the last few months. The Community economies are steadily growing stronger; the EMS has been held together; there have been no competitive devaluations; there is a spirit of cooperation, at least in the ECOFIN Council which has prevented the currencies from bursting apart. All of this is cause for some qualified congratulation. I would only ask you to think what would have happened in the 1930s had we faced the recessionary situation we have just come through. This is something which I believe both Commission and Member State governments can be pleased with.

The second reason for optimism is the Williamsburg Summit. I was a little surprised to see in Mr Bonaccini's motion a rather deprecatory reference to Williamsburg. It is quite true the world was not reinvented; we did not have a new Bretton Woods; we did not even have a new Messina Conference. But we did seem to get a degree of consensus between the leading western governments about how they should move forward. That spirit was conspicuously lacking at Versailles last year. So let us hope Williamsburg is a helpful step forward in that respect.

Welsh

We in this group believe strongly in convergence and we believe in Community solidarity. But if there is to be convergence and solidarity, then all Member States must accept the necessary disciplines to set our economies back on course. We are all in favour of the stronger countries taking steps to help the weak. But in that case the weak must be prepared to be helped and that countries which have bitten the bullet of defeating inflation and containing their monetary aggregates should now throw all that out of the window to support other countries which wish to run public deficits at a level that cannot be justified by their performance, cannot, frankly, be countenanced.

One of the things which we notice — and this, if I may say so, was the great lesson of the recent British election — is that there is a new sense of realism in our affairs. People no longer look for magic cures; for the brilliant flash of inspiration that will make unemployment go away; for the nostrums of the quack that solve all our problems while hurting nobody. I do not think the people of Europe feel like that any more. On the contrary, we have made a start, we have to continue with our policies — fine-tuning them where necessary. Of course, from time to time we shall be blown off course. But in the main the European economies are beginning to show signs of growth again. That is something we should be pleased about. If I may quote the words of Sir Winston Churchill at a rather difficult period in the war, 'It is not the end, it is not even the beginning of the end, but it may, I trust, be the end of the beginning'. In that spirit, Mr President, I would like to wish you a very happy holiday.

Mr Delorozoy (L). — *(FR)* Mr President, ladies and gentlemen I too would like to offer Mr Bonaccini my congratulations on the presentation of his report which provides us with a good analysis of recent economic trends in the Community: in itself not an easy thing to achieve. I admire Mr Welsh, but I cannot share his optimism and the report rightly criticizes once again the absence of common agreement between Member States, principally that regarding economic and monetary policies, at a time when Europe's economic dependence on cooperation makes it more essential and urgent than ever.

All the evidence is that after the Williamsburg Summit and the Community Summit at Stuttgart no programme of real consequence can or will be begun before the December 1983 European Council in Athens, in other words that for at least six months we shall be witnessing a series of special Council sessions. Let us hope that they enable the most important and urgent measures to be decided upon, since without them Europe will never achieve any lasting economic revival.

In the text adopted at the Stuttgart European Council the 19 June joint statement invites the Council of

Ministers to do everything in its power at its meeting on the 21st to deal with as many as possible of the outstanding questions relating to the internal market which is regarded as one of the priority targets.

It is now 7 July and how far have we got. The intransigence of individual nations has not been overcome and the risk is that the economic turn around of which signs can be seen in most Member States will not develop far enough to lead to any improvement in employment. A plan for an economic revival in Europe drawn up by a number of economic experts at the request of this House is at this very moment being considered by President Dankert and we shall be called upon to discuss it in the autumn.

That is a strange enough process in which once again popular appeal is likely to vitiate the efficiency of a coherent and credible strategy. In connection with the report by the Economic and Monetary Affairs Committee it should be remembered that it is the countries which have taken effective measures to reduce inflation and the budget deficit that are now in the best place to make a start on growth. Mr Bonaccini is right to remind us that it is only through tightening the budgetary belt and reducing the deficit in the weaker countries that we shall be able to return to a more healthy position. That is why the Federal Republic of Germany, the United Kingdom, the Netherlands, Belgium and Denmark can now see, half way through 1983, an improvement in their economic climate and a perceptible upturn in confidence. Certain other countries unfortunately still have a great deal to do, nevertheless the extent of the improvement open to them is no less than European. In the long run the interdependence of our separate economies will force every Member State of the Community to choose between greater cooperation or, should they persevere in their ways, decline.

Expansion depends to a great extent on restoring profitability in business, giving business the opportunity to make the investments without which competitiveness, innovation and new technologies can make no progress. New growth in a healthy and vigorous economy is the only lasting solution to unemployment. We must do away with policies which diverge, policies which conflict: we cannot continue being under policies which are illusions. We still have a few months in which to do it. Let us hope that we do not miss our one opportunity to join in with world economic growth.

Mr Deleau (DEP). — *(FR)* Ladies and gentlemen, I should like to start by expressing my regret at one aspect of the speech by my excellent friend Mr Delorozoy. I can only deplore the fact that at the very instant that we are discussing this critical question in the chamber of the European Parliament a press conference held by the President of the Parliament

Deleau

has called away the press and media reporters. That is quite deplorable. I consider that it would have been better to wait decently until the Parliament had debated the Bonaccini report before commenting on it to the media.

Mr President, my group supports the main principle of Mr Bonaccini's report, and I should like to congratulate him personally on the high quality of the report. Mr Welsh has just mentioned it and I entirely agree with him.

I must however express my doubts on the guidelines approved in the economic and monetary affairs committee on the biannual report submitted by the Commission. The report is based on the indications of an economic turn around which seem to be appearing in some Member States but it needs further improvement and that I consider to be the role of the European Institutions.

Perhaps instead of describing the guidelines which it observes or predicts the Commission should be using the economic, financial and budgetary means at its disposal finally to bring us out of the tunnel.

And since the turn around is the work of our own hands let us as Europeans grasp the opportunity to guide our own economy towards the new start which we so badly need.

Some indicators are already promising, such as inflation which has settled at around 6 % on average over the Community for the month of June, but we must look further and keep the level of inflation permanently steady and create the conditions under which unemployment can be brought down.

In his report Mr Bonaccini writes of a balanced mixed policy. We of course are in favour of new policies based on retention of deflationary measures in those Member States where the economy is suffering from serious monetary and financial imbalance and policies to reduce interest rates and expand the budget in countries where the financial and budgetary situation is healthier but where unemployment is unfortunately reaching significant levels.

Is that not what is meant by convergence? I believe it to be so: We must implement policies which may differ from one country to another so as to achieve an ultimate goal which is one and the same. We must look at it as a question of dovetailing, and Mr Ortoli will be able to tell me whether I am misinterpreting the views held by the Commission. So, as far as the Community is concerned what better could we do than to start by establishing the true common market which has been our aim for so long and which is still so far from being achieved. It is nonetheless one of the essentials to the expansion of business, particularly the small and medium businesses on which employment is so dependent. Next we must have deeds instead of words about Community solidarity, and

help businesses with increased Community aid and the conditions — legal, tax, administration, economic and social — which take account of the problems of small and medium business in the Community. Our solidarity must be outward looking too, particularly as regards monetary policy with the international monetary system in its present state (with which we are all familiar) and the dollar shifting and scaling new heights with consequent harmful effects on the general economy: the countries of Europe must remain together and cooperate in monetary policy towards the rest of the world.

What we are calling for, from the bottom of our hearts, is an intervention fund in ECU which will allow central banks to intervene and defend European monetary parity to some purpose. We would like of course to see every country involved in a European monetary system, a system in which we can have confidence provided that the rules are respected all around, which can only be to the advantage of everyone of the 10 Member States of our Community.

And so I ask, should we not compel those countries applying for membership also to take their part in the EMS? It would seem to be indispensable and I should like Mr Ortoli to let us know his own views on this as well as confirming the Community's own position on the subject.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, like every individual present in this Chamber I attach particular importance to this type of debate and would have wished that there were more members here for this question of the Community's economic situation and what it is possible for us to do to get together. My consolation lies in the quality of the report drafted by Mr Bonaccini and I would like to add my name to the list of those who have congratulated him on trying to find a balance between the various theories and attitudes whilst avoiding the pitfalls of writing nothing at all, which is sometimes the temptation when one is seeking a compromise. That temptation has been avoided and we have a report of great interest and great wealth. I have all the more reason to be brief since many of the points made by the Committee are points which we also consider to be of great importance.

I have no need to remind you of the history of the present economic position with which we are all familiar. We are all aware that there are prospects for an upturn: they can be seen through various indicators which we monitor from time to time, and we can see that the economic climate shows prospects of a slow turn-around in household consumption in the Community. I am not trying to describe a phenomenon which is consistent throughout the Community. We hope that by the end of this half-year the slow down in investments will have been reversed, and we are consequently relying on a slight increase

Ortoli

in stock holdings and on price trends being better than they have been for several years and foreign trade generally improving.

The facts are that there are signs of potential growth: weak in 1983, perhaps only half a point; a little stronger in 1984, perhaps a couple of points, and that still means the continuation of the most serious problem with which we are faced: constantly increasing unemployment. I believe the increase will slow down and I hope that it will slow down by more than our figures suggest, but we cannot count on any real improvement even in 1984. Hence our only hope, namely that we may be embarking, albeit gradually, on a new period of lasting growth founded on a basis of economic health.

Risks and doubts go hand in hand with such growth. Each of our countries has its own particular national risks. Insufficiently stringent policies may lead to specific problems in one country or another. But we also run more general risks, resulting in particular from the fact that the world trade which was one of the mainstays of European expansion was in recession in 1982 and in 1983 is unlikely to expand to any significant extent, mainly because of the indebtedness of developing countries and partially because of the fall in the price of oil which has had its own effect on the economic situation in oil-producing countries.

There is a second risk, namely that we shall not be able to draw full benefit from the fall in energy prices if the dollar continues to rise.

The third risk is associated with exchange rates, and worst of all an increase in interest rates. I say this is the worst possible event because I think that in objective economic terms — as indeed in subjective or in psychological terms — increases in interest rates to unreasonable levels seem as inevitable in those large economies which are undergoing change as very high interest rates are in economies with a high rate of inflation. This, however, is one of the risks, a sort of inhibiting factor with which we have now lived for two years and whose effect on economic trends we must not underestimate.

What then should be our objectives? First, I think we should set the objective which has already in a way been described by Mr Bonaccini, namely to manage economic trends — I say manage the trends because I do not believe that we can manage the economy itself in an acceptable way to the extent of strengthening the fragile upturn in trade, and that therefore implies, as you said, action directed both within and outside the Community. However, we must not lose sight of the fact that the time may come when we have to react if a new recession appears possible. I believe we must be very watchful over economic trends.

This brings me to comment on a number of points which have been raised. The first relates to budgetary trends. On the question of budgets we seem to be

witnessing the development of a sort of collective wisdom, and I think the Community may well be thanked for it. The collective wisdom in question involves the simple recognition of the fact that there exists a budgetary situation, characteristically involving loss of control over the budgetary instrument, which belongs to no economic theory but is tantamount to a loss of control over the economy; in other words a kind of fatalism has come in as a result of excessive deficits and the inability to control what is happening.

Explanations can be found in the economic situation: the cost of unemployment and high interest rates, but there are also questions of economic drag of which we have now, I believe, become aware and which are now being brought under control by joint effort. The success rate is variable but it has become an objective in practically every one of our countries and it should perhaps be recognized as such.

The idea of a strict budget must therefore not be abandoned in a country where budget management has become difficult. That is not to say that other countries have any great room for manoeuvre nor indeed that if the recession were greater we should do away with our means of automatically stabilizing the situation.

My own belief, in fact, is that a distinction should be drawn between a structural deficit which can be dealt with over the medium term and the right to tinker with the economy in as much as the tinkering remaining on a limited scale and reversible. I think it is going too far to revert to the belief in a single rule, namely that budgetary deficits must be eliminated totally, absolutely and for all time. On the other hand, saying that a deficit is legitimate and must always be accepted is another mistake. As a result particular economic circumstances might imply a fairly healthy budgetary policy, as we have said. We also suggested that should the economic prospects be less favourable, in those countries where budgetary control exists the idea of what are known as 'automatic stabilizers' should be accepted, that is, the short term deficit should be allowed to increase a little, just as we have said that when things become a little better but there is still no real guarantee of the improvement continuing, we should not be too quick to cash the dividends of the improvement and say 'hooray, my tax has gone up so I can accept a relatively massive decrease in my deficit'. We must, I think, remain level-headed in this kind of business.

My second point relates to monetary policy. Though we remain very strict in our budgetary policy and equally so in our monetary policy, we nonetheless believe that — as several speakers have remarked — strictness in budgetary policy must shift with any improvement and whenever possible allow a reduction in true interest rates.

Ortoli

But I would draw to your attention the fact that the coordinated way in which European monetary affairs have been conducted over the last two years has resulted in the separation of European and American interest rates. In countries like Federal Germany and the Netherlands the true interest rate is lower than that in the United States. That does not mean that the problem of our cousins across the Atlantic has gone away, but that we have managed to create room for manoeuvre at a cost of certain changes in exchange rates. That is partially of European doing, since it was mainly the coordination effected through the monetary system which allowed it to happen.

I can consequently say without being unreasonably optimistic — and having frequently been pessimistic — that Europe is starting to be the only effective area of economic cooperation in today's world. I agree that cooperation is limited and leaves open the question of convergence since the European monetary system has not yet reached its final form. We are nonetheless the first area in which economic cooperation is effective. The beginnings of it can be seen through Williamsburg or Versailles in our dealings with other partners, but we do not do it ourselves. Much, therefore, remains to be done and I believe that the greatest risk we run lies in the belief that the collective success of Europe is no more than the sum of individual successes.

I believe that there is work to be done at three levels. No-one can be excused putting his own house in order: if in some countries the job needs doing then it is not by means of a European miracle that growth will be brought about. There is therefore a first level which remains national because our countries still have their structures, their power, their political systems and their political responsibility to manage.

Next we have the European level, which has two aspects. It is first, as we must admit, a question of drawing on collective wisdom and helping each other to recognize the problems we all share. That is not a question of joint action, but it is the joint recognition of a number of problems and of the ways and means by which we should work together.

Secondly, the European level is that of solidarity, the willingness to give and take, of which we have illustrations in the means which we use, including budgets.

Thirdly — and here I can only echo what has already been said by others — it is the recognition that we have grossly underestimated the creative and dynamic contribution made by our own market. We talk enough about the Continent of Europe but we do not do enough, and we must bring it about as a common market, we must bring it about in terms of financial integration, the beginnings of which must lie in the monetary system and development of the ECU. That is the measure of my agreement with all those who

have added this positive, dynamic dimension to the mere observation of national doings.

And then there is the third, international level at which we have our role to play. I believe we have considerably underestimated the extent to which the economy is out of balance at international level. I believe that we are also grossly underestimating the extent to which our own interdependence relies on a level of organization greater than our own. Europe has a role to play: we must know what we want and express ourselves with a single voice.

I have spoken for twelve minutes forty one seconds, Mr President which is rather more than I expected. I should like to close by remarking that Mr Welsh spoke of the end of the beginning. He reminded me a little of the poet Claudel who, feeling the undercurrents of change wrote of the mast listening to the yard and knowing that the sea would change. I believe that we should do more than merely listen to the yard and try and understand that the sea will change, we must be realistic, as we have been told, but our realism must be dynamic, by which I mean that it will not suffice for us to be individually virtuous in order to bring about our total joint success. The extra European dimension comes from other factors: partly from the Continental dimension which is our major effort to participate in international affairs.

I consider that this comes quite clearly through in Mr Bonaccini's report and that is why I can say that the Commission is in agreement with the lines he has proposed.

(Applause)

Mr Halligan (S). — Mr President, a certain calm consensus has characterized this debate, but I am afraid that I cannot subscribe to it because, speaking on behalf of the people I represent here, I must say that four years ago they looked forward to seeing this Parliament create a more prosperous Europe with increasing employment and, of course, a rising standard of living.

Since 1979, they have been sadly disappointed, because during that period unemployment has doubled. As we have just heard Mr Ortoli confirm, unemployment is still on the upward trend, even through it may be slowing off but there is no end in sight. There are 13 million people out of work and, in fact, without hope of work.

No wonder, therefore, that the people of Europe feel disillusioned, disappointed not only in their own national governments but in the institutions of the Community and this directly-elected Parliament. Many of them have looked to us for a clear message, for a message of hope out of this economic crisis. I think it can be truthfully said that they have looked to this Parliament in vain and that it is therefore seen by them as a failure.

Halligan

This debate on the current economic situation should, in my view, have been grasped by the Parliament as an opportunity to condemn those economic policies which are putting so many people out of work and preventing so many young people from even getting their first job. But I regret to say that that opportunity, for the sake of achieving a consensus, has been lost.

The fact is that two of our largest economies are being managed along lines which not only make unemployment inevitable within those countries but, more ominously, in conjunction with economic policy in the United States, are imposing unemployment on small economies such as Ireland which are open to outside influence.

The significance therefore of monetarism within those two countries is that it creates a monetarist Europe whether other countries like it or not. Therefore, ahead of us lies a Europe in which unemployment will continue to increase beyond its present appalling levels and in which small vulnerable economies will suffer more than the larger and stronger economies. Ahead of us lies essentially a Europe without hope of solving the unemployment question.

That prospect, if we allow it to materialize — and I suspect that we shall — will indict this Parliament in the eyes of the European elector as we come up to the next direct elections. In these circumstances and given the social evils which are attendant upon unemployment, we must speak out unambiguously against national policies which not only condone but also create unemployment. Otherwise, we shall lose whatever little credibility we have left as a Parliament.

Above all, we must call upon governments pursuing monetarist policies to give the same priority to beating unemployment as they do to beating inflation. We must call upon the United States to revert to a policy of economic expansion, to bring down its interest rates and so help bring about a world recovery. If such action is not taken, there will be no expansion of employment in the European economy and the dole queues will grow longer, especially in small economies such as Ireland. I appeal to this House to call for a change in economic attitudes: Otherwise we shall stand condemned before the people who have sent us here — and rightly so, Mr President.

Mr Papantoniou (S). — *(GR)* Mr President, Mr Bonaccini's report on the economic development of the Community in the first six months of 1983 is a compromise text. This is not necessarily a shortcoming, especially as regards issues on which there exists a fundamental coincidence of views. However, the problem of economic policy at the present time is that this policy is characterized by major differences in opinion both as regards the theoretical basis and practical application. On the one hand there are coun-

tries and political groups which adhere to the monetarist dogma and which believe that economic recovery will come about spontaneously — I might say automatically — once inflation is reduced and their economies are stabilized.

On the other hand there are political forces which believe that economic recovery will not come about automatically but that it must be supported by the application of less restrictive financial and monetary policies, provided of course that public sector deficits do not limit the opportunities for financing industry.

The Bonaccini report, although it contains many positive features, has not succeeded in bridging the gap which separates these two viewpoints. More precisely, in a period in which most of the major industrial countries — with the important exception of the USA — have managed to reduce inflation to the level of the 1960s and have had substantial success in curbing their public deficits, the Bonaccini report continues to attach the same importance to the objective of stabilization as to that of reducing unemployment. Such an approach cannot be reconciled with the urgent need for measures to take us out of the recession and to absorb unemployment.

Mr President, there are many points in the Bonaccini report which I would like to comment on. However, time does not permit me. I would simply like to focus on a point which is contained in an amendment which has been tabled. This point concerns the need to orient the economic policies followed towards the objective of greater convergence both of the economic structures and of the economic performance of the different countries with a view to ensuring greater balance of development between the countries and regions in the Community. Unless the economic imbalances which exist between the different countries and regions are reduced it will be difficult if not impossible to ensure stable and long-term economic development in the Community.

President. — The debate is closed.

The vote will be taken at the next voting time.

IN THE CHAIR: LADY ELLES

Vice-President

4. *Liquids for human consumption*

President. — The next item on the agenda is the third report (Doc. 1-476/83), by Miss Hooper, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on

the proposal from the Commission to the Council (Doc. 1-223/81 — COM(81) 187 final) for a directive on containers of liquids for human consumption.

Miss Hooper (ED), rapporteur. — Madam President, this report has caused a great deal of confusion, just as the Commission's original proposals have given rise to considerable and continuing opposition on many sides. Consequently, I think it will be remembered in Parliamentary history — certainly in our committee's history — as a subject which has consumed a great deal of the Commission's and of our own time without in the end having achieved the beneficial effects envisaged when the first proposal emerged in 1975. I therefore call attention once more to the request contained in our report for the use of a Green Paper procedure in similar instances.

Colleagues will remember that the Commission proposals before us, dated 22 April 1981 and referred to by the President, represent the 10th draft prepared by the Commission. After serious and thorough consideration of all interests concerned by the committee, these proposals were eventually rejected by Parliament during the March part-session of this year. If Parliament had then voted on my motion for a resolution as it stood, the result would, I believe, have been that Parliament's opinion going to the Council of Ministers asked for a recommendation rather than a directive. The Commission indicated, however, that in spite of Parliament's decisive rejection of the proposals, it was not prepared to alter them. Furthermore, a constitutional issue arose. We learned that the document at that moment before the Council of Ministers was entirely different from the document before us, so that all the Council apparently wanted was to get Parliament's opinion in order to be able to 'do their own thing'. The likelihood of their considering Parliament's opinion based on a different document seemed very remote. We therefore applied Rule 35(3) and withdrew the motion for a resolution in order to consider our position. Subsequently, the chairman of the Committee on the Environment, Public Health and Consumer Protection and I met with representatives of the Commission and Council, and I must say that both Commission and Council representatives were most helpful in this respect, for we were able to produce compromise proposals which I now introduce to the House as part of my third report.

In view of the previous lengthy debate on the subject, I will not discuss the substance in detail, except to say that the new proposals, which the Commission has indicated it will accept *in toto* but which still, apparently, differ substantially from the working document before the Council of Ministers, go most of the way to meeting the Parliament's criticisms of the previous proposals.

In effect, they call on Member States to develop policies on the recycling and reuse of containers of liquids for human consumption and enable the Commission to monitor these national programmes and to collect information and statistics. They also underline very

clearly the need for national governments, when setting up these programmes, to avoid the creation of any new non-tariff barriers.

This report was passed by a majority of one in the committee, and I know that some of my colleagues are still unhappy about these proposals and think they would be better in the form of a recommendation. However, I trust that this afternoon Parliament will give us a clear and decisive vote, and I also ask Mr Narjes to confirm, in his statement, that he will accept the new proposals contained in this third report.

(Applause)

Mr Narjes, Member of the Commission. — (DE) The motion for a resolution before us has been occupying our attention for some time; we are pleased that we are to vote today, and I thank Miss Hooper for her account of the chequered history of the deliberations; we have learnt a great deal from it. The Commission's viewpoint on this proposal was explained in detail on 10 March; in addition, we were able to explain the position of the Commission in detail at a meeting of the committee on 29 April. We can therefore be brief today.

The debate shows how well this proposal for a directive highlights a concrete problem in everyday life. It has already been stated that 10 % of total urban refuse in the Community is containers of liquids for human consumption, and this 10 % represents in itself 10 million tonnes of refuse. The Commission therefore proposes to use this refuse in a way that is less harmful to the environment and to reduce the costs of refuse disposal.

Express provision was made for this measure in the first and second action programmes approved by this House, and the Commission regrets that the proposal for a directive at first came up against a defensive attitude amongst the relevant trades and professions, which, in our opinion, was quite uncalled for considering the subject of the proposal.

This was all the more surprising in that the Economic and Social Committee, in which the same trades and professions are represented, almost unanimously commented favourably and in an agreeably constructive fashion. It is gratifying to report that the relevant trade and professional organizations displayed a much more open attitude in their last statement on 3 June this year. In fact, there is practically no dissenting voice left on the substance, if we set aside the open question of legal form. Our long-standing efforts to reach a reasonable and proper compromise have apparently been appreciated everywhere.

Waste management is an integral part of our technical production processes based on the division of labour. The Committee on Waste Management, which the Commission has set up in order to work towards a

Narjes

coherent Community policy in this matter, has again and again quite correctly laid great emphasis on the use of refuse as raw materials. It would be regrettable for the Community if the first attempt in this direction were to be blocked.

The Commission does not believe that the proposal favours the creation of non-tariff trade barriers, as was sometimes feared. The proposal concerns the disposal of containers rather than the containers themselves. In case a Member State were to opt for a system of using containers which was liable to restrict the free movement of goods, the Commission has already stated that it will not accept any such restrictions.

The Commission is still of the opinion that a directive is the most suitable legal instrument; I believe that we would have to write off an essential part of our overall environmental policy if we were to introduce a recommendation, and that this would therefore be in direct contradiction to the Community's environmental policies. I therefore earnestly beseech the House to reconsider to what extent the proposal for a directive as it stands, and which we would accept, takes into account the demands for flexibility, and to what extent this policy would lose its effectiveness if the directive were to be downgraded to a recommendation. Moreover, the Council of Ministers of the Environment held a discussion on 16 June on this subject, from which it emerged that eight of the 10 governments were in favour of a directive; the British and Irish delegations came out in favour of a recommendation.

And so I come to Dr Sherlock's amendments. In amendments 1 to 7 he calls for a recommendation; may I repeat that we cannot support these amendments. Mr Johnson's amendment No 8 would in theory be acceptable to the Commission, but the voting will show whether or not it meets with the approval of this House. Unfortunately, we cannot accept Mrs Schleicher's amendment No 9, which would result in the exclusion of vinegar, edible oils and all milk and milk-based beverages; that would call into question the whole balance of the proposal and thus deprive it of its essential substance.

Basically, the Commission works on the premise that the version agreed by the Committee on the Environment, Public Health and Consumer Protection in Athens provides a likely basis for agreement which we — I repeat — would willingly accept — if possible, without any amendments.

In conclusion I should like to thank the rapporteur and Mr Collins most warmly for the inordinate amount of trouble which they have had to go to in their attempts to solve these difficult and complex problems over a lengthy period of time and express the hope that today we shall finally come to a decision and settle this matter on a vote. The new text

simplifies considerably the Commission's original proposals and, if it is accepted we would not hesitate to put it to the Council of Ministers in its present form as quickly as possible.

(Applause)

Mrs Seibel-Emmerling (S). — *(DE)* Madam President, ladies and gentlemen, we are usually very pleased when we discover that our own opinions, which were strongly contested by other people, have proved to be completely correct. I am in that situation, in that my prophecies have come true, but this does not make me pleased — on the contrary. On the occasion of the vote in March on the 10th Commission proposal, I said on behalf of my Group: 'We are therefore absolutely opposed to the attempts being made by our otherwise highly esteemed rapporteur to get the proposal referred back to the Commission. What would we be likely to achieve by doing that? An 11th, 12th or even a 13th bite at the cherry? And each one more toothless, more watered-down than the one before? Nor can we give any support whatsoever to the proposal to change the directive into a recommendation.'

That was what I said in March. Unfortunately, the majority of this House closed their ears to our warning. So now we have to deal with the 11th Commission proposal served up here as a garnish to the Hooper report. Unfortunately, as far as the interests of environmental protection and its declared aims are concerned, this 11th proposal is, as I foresaw, even more anodyne, even less concerned with environmental and consumer protection, and even more strongly biased in favour of industry than all its predecessors.

I also find it frightening, that this proposal introduces a new dimension into environmental policy, a dimension which ostensibly only takes account of the Cassis-de-Dijon ruling, but which in reality represents a threat to environmental policies since it recognizes the absolute primacy of commercial policy. Mind you — and let nobody misunderstand me — there is nothing I want less than the erection of technical trade barriers devised by Member States in order to protect their internal trade. No, on the contrary! But there is also no way in which I wish to penalize or to hinder genuine efforts towards environmental protection, as could easily happen if the present proposal were accepted.

If a country decides, for example, to define its aims in this directive in such a way that it no longer permits any kind of containers whose incineration or recycling is harmful to the environment, another country, which lays down for itself only minimum aims as a standard, could continue to permit such containers to be used and then so arrange things that it would be possible to do a good trade to the detriment of envi-

Seibel-Emmerling

ronmental protection in the neighbouring country. That cannot seriously be our intention! I urgently warn you against such a development, and therefore beg you to support our amendments.

Unfortunately, I have been proved correct a second time. During the June part-session I beseeched the House most earnestly not to refer the proposal back to the Committee, but to take a vote there and then, in June. And everything that I warned against has happened. The report is unchanged, but the Council, which we all jointly criticize so often and so convincingly in this House for its inability to come to grips with European problems, was now able to produce in Luxembourg proof that Parliament put stumbling blocks in the way of important environmental policies. We should not here repeat yet again such a pantomime, produced by such a pernicious lobby!

Mr Ghergo (PPE). — *(IT)* Madam President, ladies and gentlemen, in the last few decades the beverage container sector has changed more rapidly than in the past centuries and, indeed, millenia. Whereas the original raw materials used in constructing such containers were clay and glass, we now have metals, cardboard and plastics as well. This development was brought about both by the unprecedented increase in consumption and the increase in the number of beverages which are manufactured and packaged for transport and distribution. In view of their enormous and ever-growing use the problem of these containers is an exceedingly important one especially when one examines its implications in numerous sectors such as, to mention but a few, energy resources and raw materials, forestry policy, transport, foodstuff prices, waste collection and disposal, public health, and employment. The problem of waste is particularly pressing both in view of the proportion of waste which consists of beverage containers (approx. 11 million tonnes per year) and the cost of disposal (more than 35 ECU per tonne on average). In view of the importance and complexity of the arguments involved, it is easy to understand the troubled history of the proposal for a Directive which the Council submitted to the Parliament for examination as from 7 May 1981. We are all agreed on what we ultimately wish to achieve (i.e. to reduce the environmental impact of used containers, to contain manufacturing and disposal costs and to encourage a reduction in the consumption of energy and raw materials). It is on the standards and means with which to achieve these objectives that approaches and opinions differ and it is partly these differences which have led the Commission to make repeated alterations to the text of its proposal.

I do not intend to recount the various stages which this proposal has gone through, which moreover has already been examined by Parliament. I would like to confine myself to illustrating my political group's stance on this hotly contested issue.

Briefly, my group has expressed various reservations on the final text of the Directive submitted by the Commission to the Parliament for examination; in particular my group calls for:

- the elimination of certain standards which are not considered to be completely objective and which at any rate are not completely compatible with the complex situation which at present exists in the sector of containers of liquids for human consumption;
- the transformation of the proposal for a Directive into a proposal for a Recommendation, as we believe that this is more in touch with the actual situation.

Now, we must honestly admit that the text which has been submitted to us today basically incorporates the first request. However, there remain considerations of a technical, economic and commercial order which taken together suggest that a recommendation is preferable to a Directive. Thus, on behalf of my political group, I wish to say that we will vote for the Hooper report and for the amendment which proposes transforming the Directive into a Recommendation.

(Applause)

Mr Sherlock (ED). — Madam President, many of the best arguments have already been advanced by my colleague and by Mr Ghergo.

I wish principally to look upon this today as a constitutional issue for this Parliament. Make no mistake about that! The proposal for a directive is, after its 12 passages through the corridors of time, such an enfeebled old dotard that it would not matter a tinker's cuss whether we voted for it or not! It is a matter about which this directly elected Parliament — which represents the people for the contents of whose dustbins Commissioner Narjes pretends to have some concern — has expressed no view whatsoever; even the consumerists have not expressed any favourable view. It is the most unloved infant that has ever been presented.

I believe that there is something much more fundamental at stake here. The issue is the status and standing of the European Parliament *vis-à-vis* both Commission and Council. In the face of a decisive rejection of its directive — and anybody who could not see that this was a decisive rejection is purblind in some respect — the Commission went on and has gone on producing, through the back door for the most part, various proposals for amending it until it emerged in its present form. But even in the present form which is before you, this is not the document which the Council is considering. That is yet another document. Many of us have seen it, and the rest of us know of its existence.

Sherlock

What will the Council enact if we endorse the Hooper report unconditionally today? That is the question. It is an entirely different document. If we allow a final vote to take place, it may well be that this is what will happen. This House, this Parliament representing the people of Europe — because we are the only ones who subject ourselves to the risks of election — will then have taken a decision in the opposite direction to what the Commission is proposing. It is highly likely, Mr Commissioner, that yet again in one shape or another despite the complexity of the voting pattern, we may find later that this House will give yet another signal of rejection.

Do you intend, Mr Commissioner, to continue to conspire with the Council to frustrate our wishes?

Mr Eisma (NI). — *(NL)* Madam President, in view of the enormous environmental problem which non-recyclable drinks containers represent, it is logical and laudable that the Commission should have tabled its proposal for a directive some two years ago. There is no need for me to repeat all the trials and tribulations which the various directives and parliamentary motions for resolutions have undergone, but after Parliament had rejected the 10th version of the proposal for a directive as recently as March, a compromise was finally reached in May between the Commission and the Committee on the environment, public health and consumer protection. This compromise was reached after further extensive consultation with interested parties. We regret that the directive is a pale reflection of its former self but it is a good thing that the Parliamentary Committee has finally withdrawn its view that the directive should be turned into a recommendation. It is maintained that a directive would be superfluous and a recommendation sufficient on the grounds that industry and trade cooperate of their own freewill. However, if that is the case, Mr President, there can be no harm in a directive since it would make no difference to people who are willing to cooperate anyway and would oblige those who were not willing to cooperate nevertheless.

However, anyone who expected that this compromise would finally gain a majority in the plenary assembly have been disappointed. The conservative elements in this Parliament saw a further chance to delay the matter — in this case until September — if they joined forces. Then the Council put its oar in. We have often deplored the indecisiveness of the Council and the number of Commission proposals which have been approved by this Parliament but are gathering dust in the Council waiting for something to be done about them — for several years now in numerous cases. We are particularly pleased on this occasion, therefore at the sudden decision by the Council to declare this proposal for a directive urgent, thanks to which the question has been included on today's agenda.

We therefore call on you to join the majority of the Committee on the Environment, Public Health and Consumer Protection finally to bring the debate on this matter, which has been going on for years now, to a close and to adopt the compromise proposal for a directive currently before us.

Mr Petersen (S). — *(DK)* Madam President, the Danish Social Democrats must like the Conservatives oppose the Hooper report, but for opposite reasons. We are opposed because Denmark has the best bottle recycling system in the world, with 98% effective re-use of beer and mineral water bottles, and this system stands to be destroyed if the proposal contained in the Hooper report, i.e. that the free movement of goods should take priority over re-use, gains support. It is highly ironical that the basic objective of both the Hooper report and the Commission's original proposal for a directive was the right one, i.e. they were aimed at a resource management policy and encouraging re-use, but have nevertheless resulted in concrete provisions which are far too conservative and completely out of step with present needs.

There was a time when we — or at least some of us — put our faith in liberty, equality and fraternity. These have now been replaced by the dustbins, the tips and the incineration plant. Neither the Hooper report nor the Commission's proposal will be of much use in our entire 'throwaway culture', or should I say 'anticulture', and if we consider Mr Sherlock's amendment to the effect that the directive should be replaced by a recommendation, the whole thing becomes a farce.

However, there is one positive point. If a Commission directive is adopted the Commission will have difficulty in winning the threatened case against Denmark in which we are to be accused of being over-efficient and premature in realizing the objectives set out by the Commission itself as regards recyclable bottles. For this reason I would urge Mr Narjes to abandon any plans for legal proceedings against Denmark since we advocate the right thing for political and psychological reasons too.

Mr Collins (S), *Chairman of the Committee on the Environment, Public Health and Consumer Protection.* — Madam President, I do not want to deal with the substance of the report at all, but rather to deal with one or two of the issues which have arisen as a consequence of discussions we have had. To start with, I should express my thanks to the rapporteur who has endured this particular proposal for rather more than two years and who has worked very hard to bring about the report that we have in front of us today. I would also like to thank some of the members of the Commission staff who have cooperated with us over the last few months in particular. Having said that, I think this report before us today raises one or two very important issues about the status of the European Parliament. Mr Sherlock has

Collins

already referred to this, and I would like to re-emphasize it. Let us consider right from the beginning what happened. When this proposal came to us it was not in its first draft nor yet in its second draft. It was in its 10th draft. We had no idea from the Commission document who had been consulted during the preparation of these 10 drafts. We had no idea from the Commission at what time these various unknown people had been consulted during the preparation of these 10 drafts. There was a great deal of dissatisfaction in industry, in the retail trade, in the consumer field and so on, about the way in which the consultation had taken place, and that dissatisfaction was conveyed to us.

In other words, there is an almost total lack of transparency in the documents which we have, so far as the consultation procedure is concerned. Mr Petersen has said that Denmark has a culture of recycling. Madam President, I sometimes think that in this particular case the Commission has a culture of recycling as well, because it managed to recycle the same ideas 10 times round before they came to Parliament. I think it was wasteful of time and resources and I think it was wasteful of paper, frankly, that this process should have gone on. We have suggested a green paper system as being the way out, and I hope the Commission will pay attention to that.

The last time this was debated properly here, Mr Narjes said that Parliament had been taken over by the lobbyists. Of course, there are some Members who have allowed themselves to be taken over by lobbyists; there is no question at all about that. These Members do themselves no credit and do Parliament no credit either, and I do not defend them.

On the other hand, Madam President, it has to be said that if there are proposals circulating in the Council that are different from the ones we have before us here, then how else, for goodness sake, are Members to be informed? The sad fact of the way this Community works is that sometimes the only way we have of getting information is to rely on some of the lobbyists. I find that indefensible. I find it quite ludicrous that we should have to work in this way. A Community that operates its government by leaks and rumours is not the kind of Community that I, as a Member of Parliament, want to see. It points up the limited powers of this European Parliament; it points up the limited democracy of the European Community.

I think that in the year before the European elections the Commission and the Council, as well as Parliament, have to consider very carefully what kind of Community they really want to see. When the Council comes in here at Question Time and when it comes in here to report back on the activities of the presidency, when Foreign Ministers occupy the place down there at the front and tell us about their wonderful visions of European democracy, can they not see, for goodness sake, that that vision of Euro-

pean democracy is, to say the least, obscured by the very activities of Coreper by the very activities of the Council itself in its closed manner of operating and its almost total lack of transparency and accountability?

The issue before us today is apparently the recycling of bottles. It has been very interesting to work with and we have received a lot of very useful information. However, that is only the apparent issue. The real issue which has been thrown up is nothing less than the kind of European Community that we want to see and, frankly, the kind of work that we, as Members of the European Parliament, as democratically elected and accountable representatives, are prepared to put up with. I for one, Madam President, am totally and wholly dissatisfied with the level of democracy in this Community. I think this report demonstrates it and I think that we in Parliament have got to make ourselves heard. If we do not, in a year's time the European electorate will reject entirely our role and reject entirely the crazed visions of the people who occupy that seat down there.

Mr Narjes, Member of the Commission. — (DE) Madam President, I beg your indulgence for once again asking for the floor, but the reason was a speech by Mr Sherlock, whom I can unfortunately no longer see in the chamber. I should like nevertheless to state the following, for the record, as it were: of course this is an extremely difficult area. After five or six years' preparation, a first proposal was made in 1981, which in several respects may have given cause for complaint. Nevertheless, as we worked together, in a constructive fashion, ideas for improvements and amendments found acceptance. Let us make no mistake, there are not 10 or 11 formal proposals, but one proposal which has been modified again and again. Insofar as that goes, we shall in future work with a green paper system, as was suggested. So much for the past.

I should like, however, to point out that in our opinion there is no justification for speaking here of backdoor methods, as if this proposal had in some way not been correctly handled, decided upon and prepared. Similarly, I should like to reject the suggestions of a conspiracy between the Commission and the Council. There is no conspiracy between Commission and Council! That is not the way in which we deal with the Council. And in order to correct another misunderstanding: there is no Commission document going round the Council which is different from the one with which this House is familiar. It appears that a document from the Council Secretariat giving its views on this subject was the main reason for this confusion, but that is not a Commission document. We have no say at all on these Council documents, and would reject any idea of exerting influence on them. For us, too, they are third party documents, like any other. Consequently, we cannot be held responsible for them.

Narjes

Then the question of democratic legitimation was raised by Mr Sherlock. I must refer this question back to the House. Two votes on the Community's environmental programmes, have clearly shown, with a large majority, that we are also close to an effective European vote on waste management ...

(Applause)

... and that we in Europe should issue directives on this matter to the Member States in an effective form, so that, avoiding competitive distortions, they can make progress in the field of waste management and have the same standards. This has been decided by this House twice with a large majority — and possibly, in one case, even, unanimously. I therefore do not consider it to be a contradiction, if the Commission, in carrying out precisely this programme which has been accepted by this House, now puts forward corresponding individual directives. We cannot agree that this is a conspiracy, or open to any other kind of criticism.

I also wonder, since the European elections have been mentioned here, whether it would in fact be good propaganda for the European Parliament, a plus point as far as the electorate was concerned, — always supposing that the majority votes in favour of a recommendation — if Parliament has to explain to the electorate, that, when it comes to European waste management, it has rejected a directive, which would be the effective way of doing things, and has to explain to its citizens how committed it is to European policies by introducing a recommendation, which is not binding. I should like to make this point quite clear and once again beg that the situation be closely reviewed.

President. — The debate is closed.

The vote will be taken at the next voting time.

5. Memorandum on the Community's development policy

President. — The next item is the report (Doc. 1-475/83) by Mr C. Jackson, on behalf of the Committee on Development and Cooperation, on the European Community's policy towards developing countries (the Memorandum of the Commission of the European Communities on the European Community's development policy (COM(82)640 final).

Mr C. Jackson (ED), rapporteur. — Madam President, this Parliament is frequently critical of the Commission, and it is therefore a particular pleasure to welcome and to felicitate Commissioner Pisani upon the brave, timely and imaginative memorandum on the Community's development policy which provided the stimulus for our report and for today's debate. The memorandum represents a great step forward in approach, and while we wish it had gone further in certain respects, and while our emphasis may differ in other respects, nothing should detract

from the feeling that so far as relations with developing countries are concerned, Parliament and the Commission are, in the most fundamental respect, on the same path and also in fundamental agreement about the importance we attach to this.

The subject of the policy of the European Community towards developing countries is a daunting one, because it is the policy of the world's biggest economic unit, with 270 million people, towards the 3 400 million people — nearly 80 % of the world's population — who live in the Third World.

The first point I want to make is that development policy is not just about aid. It is also about interdependence. In world trade, for example, where the Community has 50 % more than the United States, our exports to developing countries total 100 000 million dollars a year, nearly 40% of our total exports, and it is estimated that upon this 5 million jobs in the European Community depend. That is interdependence. So, too, is the annual import of 120 000 million dollars' worth of goods and materials from the Third World, including some vital raw materials that we cannot obtain elsewhere. Because of trade, but also because of history, it is hardly surprising that the countries of the European Community should have unrivalled connections with the developing countries through the world, not least through the 63 members of the Lomé Convention.

First, then, interdependence. Next, the moral imperative. This Parliament is very conscious of the intolerable extent of hunger, poverty and disease in the Third World. We have frequently expressed our determination that the Community should help more effectively, and that determination is expressed in this report. We know we can do better, despite the fact that the European Community is already by far the biggest aid partner of the Third World.

It is inevitable that developing countries will play a steadily increasing part in the economic and political life of the world, and it has struck your rapporteur very forcibly that because of the material, moral and political links which I have mentioned, the whole question of the European Community's relations with developing countries is nothing less than the greatest foreign-policy challenge and opportunity for the European Community, both today and for decades to come, embracing not only trade and aid but our dedication to peace and human rights throughout the world.

Many of the many countries and experts who gave evidence to the Committee on Development and Cooperation pointed out to us the obvious fact that for the developing countries, development aid is only part of the story. They lay emphasis on the internal and external policies of the Community, such as trade, industry and agriculture, which we discussed earlier this week.

C. Jackson

So, we ask the Community — the Commission, the Council — not only to become much more aware of the impact of our domestic policies, but to improve them *vis-à-vis* developing countries. We have, for example, agreed enthusiastically with the Commission's idea that in the aid field we should increasingly support broad policies rather than haphazard individual projects, but this, of course, may invite from developing countries the response, 'Why do you meddle in our policies?' So, perhaps in slight contrast to the Commission, we have suggested that the policy dialogue should be two-way: not just the European Community talking with individual developing countries about their policies, but also, at another time and in another form, developing countries talking with us about our domestic policies as they affect them. This could open the way to a much more constructive relationship between developing countries and ourselves, a more constructive relationship in which the way forward has perhaps been pointed in the Lomé Convention, a relationship which would be greatly to our mutual advantage and result also in a more effective use of aid.

The term 'mutual advantage' is rightly stressed in the Commission's memorandum. We pick this up and we agree with it, for it seems an extremely sound way of being able to increase what we do with and for developing countries. We support the development of mutual advantage in such diverse matters as industry and trade, fishing, agriculture, minerals and the development of energy resources.

But which areas of the world should we help most? We want to continue and to develop our close cooperation with Africa and the Lomé countries and in respect of the new Convention we call for a fundamental agreement at the start of the negotiations on aims, guidelines, means and methods. Only later should the duration of the Convention be decided.

For Mediterranean countries we would welcome a more comprehensive approach, but we suggest collective contracts not for the whole lot but for groups of countries such as the Magreb.

With respect to Non-Associated countries — that rather unfortunate phrase — our emphasis does differ a bit from that of the Commission, for we lay particular stress on faster development of our relationship with the countries of Asia and Latin America and especially we encourage stronger links with regional groupings such as ASEAN and Andean.

This Parliament has always insisted on our taking a wide view. It was Parliament that first pushed for a programme of aid to Asia and Latin America. Parliament has also given priority to the poorest countries and people in the world, many of whom lie outside the countries of the Lomé Convention. We therefore ask for a special set of aid and trade policies for which

only the poorest countries of the world should be eligible — policies for which they should cease to be eligible as they get wealthier.

We must differentiate between different sorts of developing countries. In the case of better-off developing countries, the newly-industrialized countries such as Brazil and Korea, the emphasis must be more strongly on mutual benefit and reciprocal advantage and we should adjust the GSP to that effect. India and China are so huge and so diverse that each deserves special attention from the Community.

I now turn briefly to aid policies as such. As the Commission said — and once again we agree with them — it is time to stop and think again. Your rapporteur believes that it is both right and inevitable that countries which pursue effective policies and use aid effectively should get significantly extra shares of aid and will also attract more private capital. We believe we should offer friendship and help to all but give greater support to policies that work than to those which do not. Fragility of administration — again, the Commission's phrase — in some developing countries demands — and we support this — our readiness to provide administrative help if requested. We also want to see more done to encourage private investment, and we see in this a role for investment guarantees and possibly codes of conduct.

The Community in general, and certainly this Parliament, has always given support to rural development. We emphasize this as being fundamental for developing countries. We call for a rapid shift away from longer-term food aid, which can be a crutch which can harm as well as help, towards food strategies and policies to increase local food self-sufficiency. At the same time, we call for more attention to environmental factors.

The committee was concerned about sometimes overcumbersome and rigid aid which procedures certain developing countries and some NGOs and charities through whom we channel aid and firms in the European Community find a stumbling block and we ask the Commission here for a programme of simplification which I really do not believe will be found impossible.

Finally — resources; the committee supports the idea of a Community aid target of 0.1% of GNP to be reached over 10 years. That represents roughly a doubling of European Community aid, subject however, to these funds being more effectively spent at European Community level than by Member States individually. In addition, we ask for a comparative study of the effectiveness of European Community and Member State aid, as lack of effectiveness is sometimes advanced without adequate evidence in my experience as a reason for restricting our budget.

C. Jackson

The problem of Third World debt is enormous and we want the Community not only to represent the interests of the Third World in the international negotiations on this but we call for the creation or extension of Community instruments to help in this. We agree with the proposal to extend the area of intervention of the European Investment Bank.

I am conscious that the subject of this report is so huge that any introduction is pathetically inadequate. In this report, to put it slightly dramatically, we have tried to build a bridge between the starving child in a poor country — the representative of the 700 million or so people who are in absolute poverty — and the working man or woman in the European Community. This report embraces both the moral imperative that we must — as part of mankind — help to the best of our ability, and also the concept of inter-dependence and mutual benefit. For we not only rely on each other but can bring each other great benefit.

I believe, as I said, that Europe's biggest foreign policy challenge and opportunity is that of leading the world in relations with developing countries to their benefit and ours, and I hope Parliament's report will help the Commission and the Council in taking effective action in pursuit of this task which is as vital to us as to the developing countries themselves.

(Applause)

Mr Woltjer (S), *draftsman of the opinion of the Committee on Agriculture*. — (NL) Madam President, in my capacity as draftsman of the opinion of the Committee on Agriculture, I should like to make a few remarks concerning the Commission Memorandum. Firstly, I am grateful to the Commissioner simply for the way he has endeavoured to throw light on a number of aspects of the relationship between development cooperation and current Community agricultural policy. It has always been clear that these things are unmistakably interrelated and it is not for nothing, therefore that Parliament has asked the Committee on Agriculture for its opinion on the matter.

I should like to draw particular attention to a number of points which strike me as important. Firstly, it is clear — and we go along with the Commission on this point — that the objective of the common development policy must be to put the countries themselves in a position to produce their own food, in a word, that they should not be dependent on the European Common Agricultural Policy but rather in a position to produce their food on an independent basis and to feed their own populations without relying on Community agricultural production. This is vital and should be one of the aims of our development policy.

I should now like to mention a few points which have often militated against this objective. Firstly there is the food aid we provide. Obviously, if we draw up a

development policy with the emphasis on the promotion of indigenous agricultural production, it is vital that food aid should not conflict with this objective and a good number of changes would be in order on the part of the Community in this respect. The fact that the Memorandum recognizes the food supply triangle and the fact that it is important for other developing countries to be involved in this food aid is a step in the right direction — indeed, I would say a good step in the right direction — but there are many other points to which much more attention should be paid. Obviously I am not talking here of food aid in cases of emergency, but, in the case of normal food aid, for example, the provision of such aid in the form of milk products, i.e. Community surpluses, is not the most appropriate way of solving the problems in the developing countries, and it strikes me therefore — I repeat — that the Community must see to it that it does not try, in this situation, to solve its own problems, i.e. overproduction, at the expense of the developing countries themselves.

I should also like to make a criticism concerning another important point, i.e. the question of our international agreements and I am referring here in particular to the sugar agreement. It would often seem that the Community was giving with one hand only to take away again with the other. I only need look at what the implications of the Community's sugar arrangements have been for the developing countries over the last few years to feel I am justified in saying that we must take another critical look at these arrangements and that it is undoubtedly vital — as has already been pointed out on several occasions in this Parliament — that the Community should now finally get round to taking part in an international sugar agreement and possibly other agreements too, with a view to arriving at a world food strategy.

Madam President, another point which I feel to be important is our general trade policy in connection with our agricultural policy. This matter has also been debated here this week and I think it is vital to point out that dumping on the part of the Community, which can occasionally be detected in its trade policy, and the protectionism which rears its ugly head now and then, particularly as regards agricultural products, are the two particular phenomena which might hit the developing countries harder than anyone else, and that we must be exceptionally careful in that particular respect — indeed I might almost say that the Commission has every reason to reconsider that aspect of its policy in depth.

Finally, Mr President, the common agricultural policy is also closely linked with development policy and I think that this should also be taken into account when the various competencies are distributed among the Members of the Commission, or at least that the Commissioner responsible for development and coop-

Woltjer

eration should be given more say on questions of agricultural policy and should be able to state more clearly what he regards as important with a view to adopting the common agricultural policy in such a way as to promote optimum development in the Third Countries.

Mr Notenboom (PPE), *deputy draftsman of the opinion of the Committee on Budgets.* — (NL) Madam President, the Committee on Budgets has asked me to deputize for Mr Ansquer who is unable to be here today. I should like to begin by apologizing for our lateness issuing this opinion — we had thought the report was to be dealt with in September and therefore only produced our final version last Monday. Madame President, the Committee on Budgets has not tabled any amendments and does not wish to stir up any controversies. It merely wishes to clarify the budgetary aspects somewhat. Drawing up a budget is a matter of serving not ruling. It is a question of producing a good budget which permits good policy to be conducted. Only if the budget is well thought out and well presented is good policy possible. It is also of course possible to conduct bad policy, but good policy is only possible with a good budget and the light of this, I should like on behalf of the Committee on Budgets, to draw your attention to two important points.

Firstly, the budgeting for the European Development Fund which at present is still done separately. Separate budgets of this kind are certainly not a demonstration of unity in European development efforts. This sort of thing is not in the interests of unity. It blurs the concept and for this reason is not good from the point of view of effective policy making. However, the vast majority of members have already felt this for some time now.

Secondly, there is the last page of the opinion by Mr Ansquer, for whom I am deputizing here today. Mr Pisani, this page outlines, not in too great detail, but nevertheless in greater detail than is usual, the development aid provided by the European Community as a whole and the individual Member States, which would also appear to be a fragmented affair. We should like to ask the European Commission to publish a table of the kind included by Mr Ansquer with the support of our entire Committee as the last page of his Opinion each year and in greater detail. For example, it is ridiculous that all the Member States should contribute to the Food and Agriculture Organization while the Community as a whole is not represented, and this is just one example of the fact that if some of the work were to be done on a European basis, the contribution of the Member States and of the European Community to the north-south problems would have infinitely more impact even with less money. I am not saying that we should spend less money, but merely that what we do spend should be concentrated.

Thus we call first of all for the inclusion of the EDF in the overall Budget and secondly for a gradual 'Europeanization' of a number of development aid measures which are for the time being still being conducted at national level. In other words, we should put into practice the idea of European replacement policy. These were two points which I was instructed to make on behalf of the Committee on Budgets and I hope you will follow them up.

Mrs Baduel Glorioso (COM), *draftsman of the opinion of the Committee on External Economic Relations.* — (IT) Mr President, ladies and gentlemen, if any additional evidence was necessary, the work of UNCTAD in Belgrade has shown us that the European Community could — provided it has the ability, imagination, intelligence and the political will — become a focal point in what should have been a dialogue between North and South but which is turning into an exceedingly dangerous clash — dangerous certainly for world stability, for justice and peace, but particularly dangerous for Europe, because Europe needs the Third World, as has just been said. Unfortunately Europe did not develop its role in Belgrade, though through no fault on the part of the Commission. This is all the more serious because Europe needs the Third World and it needs the Third World's development. The developing countries are our opportunity for an economic upswing.

For these reasons the Committee on External Economic Relations wanted to devote its attention to this strategic plan — the Memorandum which the Commission has submitted to us — in the context of its responsibilities. Unfortunately — and we shoulder all the responsibility — we too at the REX thought we would have more time to express our views in September in a more comprehensive opinion on the problems which concern Europe and the Third World — not only international trade and new commercial transports, but also problems connected with indebtedness and all the associated difficulties.

Unfortunately, we were caught unawares and obliged to present an extremely brief report. It is not the job of the Committee on External Economic Relations to underscore all the positive aspects of the strategic plan in the Pisani Memorandum, but I would like to make clear that, even if in our view they are not sufficiently detailed, this plan contains the outlines of a new trade policy which hinges on two axes: the need for the developing countries to re-examine their exports with a view to economic take-off and development, because it is only by developing that these countries will become a market for our products. To some extent this is already happening, given that in 1982 over 41% of our manufacturing exports were absorbed by Third World countries. But the process was a distorted one.

Glorioso

It is necessary to change the actual mechanism which is not 'trade not aid' or 'aid not trade'; there is a need to review it in depth in a context of cooperation which should be centred on the two axes we have mentioned, and which are indicated in the Memorandum: self-reliant development; this does not mean independence as opposed to interdependence, nor does it mean autarchy. What it means is real development at national and regional level. This requires greater skills in political management both on our part and on the part of these countries and areas, so that the trade relationships with the Community can develop into a broad-based cooperative venture in the industrial, technological and financial fields.

I think that this is an important feature of the Pisani report which is undoubtedly aimed at all areas in the Third World but which will be particularly scrutinized in September in the context of the negotiations for the renewal of the Lomé Convention.

I think that if the Commission goes ahead and presents more precise data on what it terms the 'predictability' of the trade relations between the EEC and other areas, in particular the ACP countries, we could certainly put more effort into examining this basic problem, which has been brilliantly treated by Commissioner Pisani not only as a new philosophy, but with political down-to-earthness based on the awareness that Europe must emerge from this crisis and that this is the only way it can do so.

Mr Muntingh (S), *draftsman of the opinion of the Committee on the Environment, Public Health and Consumer Protection.* — (NL) Madam President, the three thousand million inhabitants of the developing countries depend for their food on what nature gives them. The same is true of their clothing and housing. For these three thousand million people the most import production factor is the natural environment. It is particularly depressing therefore, to see that this most vital of all production factors is being destroyed throughout the world at almost incredible and highly disturbing rate.

When we read that, for example, three thousand million hectares of pasture grass land are turning into desert every year, that three million hectares of arable land is disappearing for other reasons, when we realize that tree fellings outnumber replantings by a factor of ten and that currently the amounts of fish and vital animal protein, currently being produced are fifteen to twenty million t less than they could be, these are figures which may well be somewhat exaggerated in certain cases, but are nevertheless sufficiently serious for one to say that the destruction of the natural environment throughout the world, and particularly in third countries has become one of the main causes of poverty, hunger and underdevelopment.

It is therefore gratifying that, in Mr Pisani's Memorandum the Commission has as far as I know, for the

first time really taken up a definite stance as regards this problem. The Committee on the Environment, Public Health and Consumer Protection which has appointed me as draftsman of its opinion, is particularly grateful for this and I should like to say that I am personally exceptionally grateful to the Commissioner for giving attention to this vast problem. In the Pisani Memorandum, the Commission's concern is reflected in two objectives, i.e. the systematic exploitation or methodical use of natural resources, and the restoration and protection of the ecological balance and controlled urban development.

With all respect for these two objectives, we nevertheless feel that they do not go far enough and might be mutually conflicting to boot in that systematic exploitation can mean systematic destruction, and for this reason the Committee on the Environment, Public Health and Consumer Protection would strongly urge the Commissioner to adopt the objectives of the World Conservation Strategy, i.e. the maintenance of ecological processes, ecological systems and genetic diversity and the rational exploitation of species and ecosystems, instead of the two objectives set out in the Memorandum. I am sure the Commissioner will agree, since when Parliament took this as the point of departure for its policy in May 1980, the Commissioner was one of the people who supported it. If these objectives were to be incorporated into Community Development Policy a more detailed system would subsequently be needed — a sort of environmental policy system if I may put it in those terms, based on at least four principles, i.e. firstly the promotion of the developing countries' own capacity to conserve their environment — something which is obviously of particular importance — secondly, a system of ecological criteria to be applied in connection with the financing instruments as used by the Commission and the Community, with a view to preventing the Commission making the same mistakes as in the past, thirdly, the support of programmes and projects likely to promote the restoration of the natural environment and, finally, similar measures in connection with European industry — and we have tabled an amendment calling on this Parliament to support this environmental policy system and urging the Commission to look into the matter further.

Finally, if the Commission agrees to do so — and I wholeheartedly hope that Mr Pisani will press for this — a separate bureau will obviously also have to be set up within the Directorate General for Development and Cooperation to deal with this terribly difficult and so vitally important question, I would therefore urge the Commissioner to look into this possibility.

(Applause)

Mr Pisani, Member of the Commission. — (FR) I believe that it was the Committee on External Economic Relations, for which Mrs Baduel Glorioso is the rapporteur, which raised the question of the purpose served by the Commission in drawing up and publishing a memorandum on development policy and then asking for it to be debated by the Council and Parliament. An attempt has been made to make the facile and, in my opinion, sterile contrast between the underlying philosophy and tangible action.

Does one have to be blind to broad perspectives in order to be active and efficient in the field? Does one have to be deaf to reality in order to tackle problems in detail or should our action perhaps consist in constant reference from broad perspectives to tangible action and, in pursuing our European development policy should we not occasionally stand back from its day to day running to try and cast some new light. The Commission considers that after two decades of development which have not been an outstanding success it was essential before the start of new negotiations on the Lomé Convention to pause a moment and consider things.

What would have been the point if having with the Parliament — for Parliament's role in this question has been important — built up a number of thoughts likely to change our orientation in development, we took account of them only in negotiation and in the documents immediately connected with that negotiation, when all the evidence suggests that some of the new orientations indicated need some acclimatization or, to be more precise, need time for them to become familiar and accepted by a number of the protagonists in this question.

It is far from evident that the use of food aid for development purposes and the further refinement which we wish to give to Stabex would have immediately been acceptable at the negotiating table unless we had been able to state the problem, and state it in its widest context by a process of open research and, if I may be allowed the phrase, reciprocal education.

And, of course, the Lomé Convention is not the only means for our cooperation with the Third World. We have programmes of different types in a hundred countries and the Commission thought it necessary to hold this review in which every one of the actions we undertake has its place.

Need I remind the House that, still on the subject of this dialogue with the Parliament, since the publication of the memorandum we have submitted a document which we consider to be essential reading on the development of food aid and which represents a significant innovation compared with previous practices, based on a number of wellfounded criticisms. I shall be returning to that document in a few moments.

What I wanted to say, and the House will forgive me for having said it with so much fire — is that this globalization, this strategic vision of the future, of what may in the future be the European policy on development, was in our view necessary.

If I ever had any reservations then the reaction to this document in Europe in political and university circles, and in the ACP states and other Third World countries would have convinced me that our call for reflection was the answer to a need if not to an expectation.

In reply to the various rapporteurs, and I am grateful to them for their contributions, I would simply like to follow the scenario outlined by Mr Jackson and in doing so reply to the various points raised by the other rapporteur.

I should first like to stress that great importance which we attach to our belief that the European Economic Community would not be quite what it is if our development policy were not what it is, and that our relations with the Third World are one of the essential parts in the Community's role in the world. Any attack on our European development policy, on the Community's relations with the Third World would be an attack on the very essence of Europe: let us not forget that cooperation with the Third World is enshrined in the Treaties and forms a substantial part of the definition of the European Economic Community. That is my comment on the first phrase of the memorandum as indeed Mr Jackson, your rapporteur, commented on it.

On this question I would like to say — and here I address myself to Mrs Baduel Glorioso — that in many respects what happened recently at Belgrade at the UNCTAD Conference was in the light of what I have just said, very disappointing. The Community did not play in Belgrade the role which it could and should have played. By hesitating it made plain its own internal crisis at a time and in a place where its internal affairs had no right to be aired. If we have difficulties, be they economic, social or even ideological, they are difficulties which we must resolve amongst ourselves. But our duty to the world which expected so much of us was to continue to present a united front, to restate a number of truths and principles to which we are attached or to which we sometimes tie ourselves in knots trying to establish.

How, when we had contributed to the OECD report on interdependence, when we had set out our position as we did at Cancun, at Williamsburg and at Stuttgart, when the Council of Ministers had set out its own views, how was it that at Belgrade we were incapable of putting them forward when we were asked to do so and when the Third World was expecting us to play the mediator in a debate, a debate which took the proportions almost of conflict and in which our role could have been quite decisive.

(Applause)

Pisani

I wish to put on record my own dissatisfaction with my presence as a representative of the Commission in Belgrade. The time has got to come when we redefine our strategy so that we never again find ourselves in a situation such as that in Belgrade.

Both Mr Jackson and Mr Woltjer asked how far it was possible to have a development policy without drawing from it conclusions applicable to the Community's own policy. Is it possible for us to work at split level, firstly dealing with particular kinds of need in a particular way at a particular moment to satisfy particular interests, and at another trying to put right the effects of our first policy by adjustments which supply what we should perhaps have supplied in the first place.

Conflict between internal and external policy is one of the problems which must be raised, and it must be raised in connection with agricultural policy, trade policy and industrial policy.

What I should like to tell the House, and I trust that I ought to be forgiven for doing so, is that Parliament itself is not always entirely logical since it happens that Parliament approves resolutions to the agricultural policy which are in manifest conflict with the principles of development policy: the fact is that when Parliament discusses agriculture it is concerned only with problems relating to European agriculture and, Heavens know, they are bad enough problems. And at other times Parliament calls upon us to look further towards the developing countries and give them more. I think we both have to make an effort to be consistent: as far as the Commission is concerned we must continue to make an effort, and in any event it is essential that we take greater account of our domestic policy in considering our development policy and vice versa.

I shall not reply now to Mr Woltjer's questions regarding sugar, not because I consider them trivial but because in a few moments we shall be debating that particular subject and shall be able to consider it in greater detail.

Continuing to base myself on Mr Jackson's comments and trying at the same time to refer to what was said by the other rapporteur, I should now like to tackle the problem of 'policy dialogue' and the idea proposed by Mr Jackson on behalf of the Committee on Development of a dialogue in duet.

I do not wish to take issue with the linguists but the motion for 'policy dialogue' is not quite synonymous with the French expression 'dialogue sur les politiques'. What we are embarking upon is not a policy dialogue aimed at reviewing our entire policy towards the ACP States; we are not concerned with asking any ACP State to amend its entire policy as a result of our dialogue: we do not have the right, we do not have the capacity and we do not have the will to enforce global policy of that nature. What we do hope for, if

these countries ask us for some contribution and if we are able to make some contribution in a particular sector — the food sector for example — is to open discussion on food policy, on agricultural policy and on the degree of compatibility of our own intervention and the definition which the country in question gives to its own agricultural policy, and under those circumstances we are concerned with a different kind of thinking, based on efficiency rather than contingency.

What I am driving at is that we could make the mistake of confusing 'policy dialogue' and the type of cooperation which we are envisaging with what is practiced by international institutions. Neither their dignity nor their responsibilities are equal to that. All we are asking is for some measure of overlap between our own intervention and the policies of the States benefiting from it. And in this context I would like to say to Mr Jackson that the two way dialogue strikes me as being a necessity, but also strikes me at this particular point in time and especially as regards the Lomé Convention, as needing a forum.

One of the virtues of the Lomé Convention is without doubt its resources in parliamentary and intergovernment institutions where such dialogue can take place. It is perfectly conceivable that at the request of the ACP States the ACP-EEC Council of Ministers could discuss and question us on the consequences of our own domestic policies. It is perhaps in that direction that progress may be made, but such progress would be natural since the forum exists and the institution exists.

As to mutual advantage, it can be one of the elements in the policy dialogue and one of the subjects for a dialogue about policy. I think it is my duty to stress that if we manage to demonstrate clearly that our relations with the Third World do not consist exclusively of aid — almost, it might be said, of charity — but of questions of mutual interest, then we will have made enormous progress in the quality of our dialogue across the negotiating table. The Third World's fear is being dependent on our aid, and their ambition is to see us having an interest in such dialogue and in our joint workings. It is their dignity which requires it and I think that is important; it is also a calculated need since a dialogue based on mutual interest has far more chance of being lasting and efficient than a dialogue based only on altruism and charity, the more so since such altruism and charity are of a particularly ambiguous nature.

In the following paragraph of his report Mr Jackson suggests that negotiations should begin with what one might call general provisions, the definition of general direction and objectives and of ways and means, and that time would decide whether the general discussion with which the negotiations opened could become a lasting agreement. I must tell the House and the

Pisani

various committees who have expressed doubts on this question that that is precisely the line which we are now taking. What we are concerned with is not a piece of political philosophy to serve as a shrine to our cooperation, but a simple statement at the start of any agreement of the provisions which might be regarded as more durable as a token of our bond with the ACP States which is more than the sum of any five year protocols.

Turning to the relation between the Lomé Convention and our other policies, by which I mean between our efforts in Africa, the Caribbean and the Pacific and our efforts elsewhere in the world, a great deal could now be said. I shall limit myself to saying that Europe always has and no doubt always shall give priority to the ACP States but that we cannot ignore the rest of the world and that because of the magnitude of the problem we must devise new means of cooperation which are different from those to which we have become accustomed with the Lomé Convention.

I agree with the rapporteur on the need to give priority to the poorest countries and I would like to say a few words on the problem of the artificial distinction between trade and aid. I do not believe that we in Europe ever say 'trade not aid' but that does not mean that we should say 'aid not trade' but that we should say 'trade and aid' for some countries and, for the poorest, 'aid and trade'. There are certain countries whose economic situation, whose degree of independence is so limited that forcing them to trade would be forcing them into poverty and domination. There are countries, the very poorest, those to which the rapporteur draws our attention, which need aid even to trade, and I fear that unless we say it with all the strength we have we shall betray the meaning of our relations with the Third World. We must not accept that countries are abandoned when trade fails to fulfil its objectives; on the contrary, we must, taking each case individually, set up a relationship between aid and trade: it is a long but worthwhile job seeing how cases differ and how different solutions must be applied.

Mr President, may I have your permission to continue for a further few minutes since so many questions have been asked to which I should like to reply?

IN THE CHAIR: MR DANKERT

President

President. — Mr Pisani, it is now 6 p.m., which is when the vote must begin. If you only wish to speak for another two minutes, I can allow you to do so, but if it is any longer I think that it would be preferable for you to carry on after the vote.

Mr Pisani, Member of the Commission. — (FR) I would prefer to continue after the vote, Mr President.

6. *Votes*¹

CALENDAR OF PART-SESSIONS FOR 1984

Amendment No 1

Mr Griffiths (S). — I would have thought that because my amendment makes a specific alteration in the dates you would take that first as Mr Moreland's is less specific.

President. — Mr Griffiths, I am a little hesitant here. We have thought it over. But your amendment cannot be dissociated, I think, from the meeting-place problem because you are changing the dates in such a way that the new date would coincide with the session of the Council of Europe. So it also has consequences for the seat. That is why I prefer to keep it a little bit longer.

Mr Pflimlin (PPE). — (FR) Some of us have just found out that several amendments have been tabled on the calendar of part-sessions proposed by the Bureau. Some concern the dates, others the place. I do not think it would be a good thing for, as it were, a surprise vote to be held on these questions.

We are well aware that there are political aspects to these problems of meeting-places and dates. This House gave its opinion on this matter on 7 July 1981, following preparatory work in the Political Affairs Committee. I do not think it would be the right way to go about it, at a time when many of our colleagues have already left Strasbourg, for the votes to be taken with a small number of Members present.

I therefore propose, on the basis of Rule 87 of the Rules of Procedure, that the vote on all these amendments be held over until Thursday of the September part-session. This will enable us to deal thoroughly with all these amendments. It will also enable the various political groups to study them and give their opinions, after which Parliament will be able to take the decisions it considers right in full knowledge of the facts.

(Applause)

Mr von der Vring (S). — (DE) Mr President, with regard to the amendment tabled by Mr Moreland, I assume that an error has slipped into the German versions. It proposes a week between 30 April and 1 May. According to my calendar that is technically impossible.

(Laughter)

President. — Mr von der Vring, you are right. Something has gone wrong with the German calendar, but on the French one the week is between 30 April and 20 May.

¹See Annex.

President

The proposal by Mr Pflimlin seeks to hold over until Thursday of the September part-session the vote on the amendments dealing with the meeting-places and the dates of part-sessions. In principle I must ask for one speaker in favour and one against.

Mr Van Minnen (S). — *(NL)* Mr President, did you just mention *four* amendments? If so I should like to ask you whether you are seeing double or whether we have been given short measure, as only two have been distributed in the area where I am sitting.

Can you tell us what four amendments you are talking about?

President. — *(NL)* Mr Van Minnen, four amendments have been distributed, two of which relate to the date of the part sessions as proposed by the Bureau, these are Amendments No 1 by Mr Moreland and No 2 by Mr Griffiths. In addition to these there are two amendments concerning the meeting place, i.e. Amendments No 4 by Mr Enright and No 3 by Mr Hopper, Mr Taylor, Mr Howell, Mr Newton Dunn, Mr Tuckman, Mr Battersby, Mr Harris, Miss Hooper and Mr Marshall.

A large number of members have asked to speak on points of order and I can hardly refuse to give them the floor if you insist.

Mr Israël (DEP). — *(FR)* Mr President, you have just informed us that four amendments have been tabled.

Would you please tell us if, in your opinion, all four are admissible?

President. — *(FR)* Mr Israël, as soon as an amendment poses a problem in my opinion, quite apart from its admissibility, I will inform you.

Mr Nord (L). — *(NL)* I should be grateful if you would be more precise about answering Mr Israël's question, which, I think, was very much to the point. There is indeed a problem of admissibility because this is not the American Congress where it is possible by means of a rider to include something in a bill which really has nothing to do with it. In this Parliament amendments must concern and concern directly the subject to which the text relates. Your resolution concerns the schedule and dates for the meeting for the European Parliament and amendments to it must therefore concern these dates. If people have certain ideas regarding the place of the meetings, they are at liberty to table a motion for a resolution on this subject. However, as I see it, they cannot put their ideas forward by means of amendments to a text which has nothing whatsoever to do with the place of the meetings but deals exclusively with the time of the meetings. I feel, therefore, Mr President, that there is indeed a problem of admissibility and since you told us that as soon as you discovered a problem of

that kind you would inform us straight away I would ask you to give us this information.

(Applause)

President. — *(NL)* I can inform you in answer to Mr Nord's question that I currently have before me two amendments on which Mr Pflimlin spoke at the outset. In fact he spoke on all four amendments. Furthermore, the problem does not arise if we discuss Mr Pflimlin's proposal first, and I should therefore like to wait before answering.

Mr Janssen van Raay (PPE). — *(NL)* I should like to endorse the point made by Mr Van Minnen. Amendments Nos 3 and 4 are not available in Dutch and we cannot therefore vote on them.

Mr Enright (S). — It is simply to say, Mr President, that, of course, you will have to rule Amendments Nos 3 and 4 in order because of what you said about Amendment No 2, I think it was, from Mr Griffiths. It is quite clear under Rule 54 that an addition which is germane is admissible and, as you pointed out in commenting upon Mr Griffiths' amendment, his amendment on the date is relevant to the place where one meets. Thus, if one is going to meet somewhere for a week then it is germane to say where that place is going to be and to make recommendations well in advance to the Bureau who, in their wisdom, will consider it, as they consider the setting up of special committees.

President. — Mr Enright, I'm sorry but I think you are wrong for the very simple reason that Mr Griffiths' amendment refers only to the dates. That that can have certain consequences is not decided by a decision on the dates but will have to be decided later separately.

Mr Wurtz (COM). — *(FR)* I should just like to say two words. I deliberately offered to speak in favour of this proposal because, as everyone can see, I am not on the same side of the House as Mr Pflimlin. It was to show that, beyond the basic question, which anyone can talk about, I think that it is inconceivable for the seriousness of our work that a matter of this importance should be treated like some sort of surprise package. So I really hope, together with my group, that this debate will be held over.

Mr Price (ED). — Mr President, it has been suggested to us that some colleagues will have left Strasbourg and therefore that the Parliament will be unrepresentative in taking this decision. It seems to me a quite extraordinary argument that when we have a number of very important issues to be decided upon by vote tonight it should be suggested that this Parliament will be unrepresentative in taking fundamental decisions about the common agricultural policy, for example. On that basis, Mr President, surely that argument must be rejected.

Price

The substance of the matter is this: in any organization as important as this Parliament, affairs must be organized well in advance. To have a decision on next year's timetable postponed until September seems to me not to be fulfilling the obligation upon us to organize our affairs properly. Since notice has been given to all Members of the decision being taken tonight, I believe that we should proceed with it without delay.

President. — I put to the vote the proposal by Mr Pflimlin to hold over the vote on the amendments until Thursday of the September part-session.

(Parliament agreed to the request to hold over the vote)

At the same time I should like to refer the question of the admissibility of some amendments to the Committee on the Rules of Procedure and Petitions.

Mr Pearce (ED). — Mr President, does this vote mean that no more votes will be taken by Parliament in the course of this week because of the argument that has won the day that some Members have gone off on holiday? Is that the consequence that we must draw from this?

Can we have your ruling?

President. — Mr Pearce, I have received no serious information on this subject, so I think we must go on with the vote.

Mr Moreland (ED). — Mr President, in its vote just now Parliament has, in a sense, voted for my amendment, because it asked for a delay on a certain vote until September.

If I may take the less controversial part of our discussion, can I just make the point that I think we all know the problem with the dates in May, in other words, their closeness to our election. I think it would be helpful and take some of the heat out of this if the Bureau could look again at this particular date before the September part-session to see if revised dates ...

President. — We decided to postpone the vote. A consequence of that decision is that we only come back to it on the Thursday of the September part-session and not before.

**BOYES REPORT (Doc. 1-1337/82
'COMBATING POVERTY')**

Motion for a resolution

Recital b) of the Preamble — Amendment No 8

Mr Rogalla (S), deputy rapporteur. — (DE) Mr President, the rapporteur leaves the decision entirely up to the House.

Mr Chanterie (PPE). — (NL) Mr President, I should like to ask you the following question. You have just

said that Mr Rogalla was deputizing for the rapporteur, Mr Boyes. However, Mr Rogalla is not a member of the Committee on Social Affairs and Employment and hence cannot know what has been said in that Committee and give an opinion. I should like to ask you whether this is in fact possible?

President. — (NL) Mr Chanterie, I did not know who the Members of the Committee on Social Affairs and Employment were. I understood from the rapporteur that he had appointed Mr Rogalla to stand in for him and did not give the matter any further thought. What you say is correct. A rapporteur can only do his job properly if he is a member of the Committee in question, since only then can he know how the deliberations in the Committee proceeded and what variations to an amendment are or are not acceptable. I must therefore ask Mr Rogalla to stand down, even if he was appointed by Mr Boyes, and ask Mr Papaefstratiou whether he will take over as Chairman of the Committee on Social Affairs and Employment or delegate the job to another member of the Committee.

Mr Papaefstratiou (PPE), Chairman of the Committee on Social Affairs and Employment. — (GR) Mr President, I shall be pleased to deputize for Mr Boyes, who has obviously left Strasbourg because of his dual capacity.

**THIRD HOOPER REPORT (Doc. 1-476/83
'LIQUIDS FOR HUMAN CONSUMPTION')**

After the vote on all the amendments

Miss Hooper (ED), rapporteur. — Mr President, this may not be the right moment, but I did wish to ask the Commission if it was going to be prepared to accept this report as amended. I assure the House that I do not intend to ask for a referral back under Rule 36. I ask simply as a matter of interest.

Mr Johnson (ED). — A point of order, Mr President. As I understand our Rules of Procedure, the only moment at which the rapporteur could have asked that — and she did indeed ask it — was when we voted on the original Commission directive. We have had that discussion. As I understand it, there is nothing further for the Commission to say.

Mr Sieglerschmidt (S). — (DE) Mr President, I have the same doubts on this point. I do not know how you wish to decide now, but in any case the decision should, in my view, be binding for the future. The text of this report as defined in Rule 72 of the Rules of Procedure is demonstrably the transcription of the Commission's proposal. But the vote was taken on a completely different text which the rapporteur submitted. Rule 72 states:

Sieglerschmidt

The following voting procedure shall apply to reports :

- a) first, voting on any amendments to the text with which the report of the committee responsible is concerned.

But we did not vote on amendments to the text of the original Commission proposal but on something completely new which the rapporteur submitted. I think this point must be cleared up.

Mr Collins (S), *chairman of the Committee on the Environment, Public Health and Consumer Protection*. — I think that what Mr Sieglerschmidt says has a great deal of force indeed. The position, as I see it, is that when this was referred back to the committee, it was referred back so that the rapporteur, acting on behalf of the committee, together with myself, should enter into discussions and negotiations with the Commission. Now the rapporteur and myself did exactly that, and we had very good reason to believe that the Commission would accept in total the proposition that we placed before Parliament, because it had been drawn up by ourselves in discussion with the Commission.

Unfortunately, we found that the Rules of Procedure under which we operate were inadequate to cover the position in which we then found ourselves. Parliament had already discussed and voted on amendments to the text of the original Commission proposal. We were forced therefore into the position of having to adopt a motion for a resolution incorporating suggestions for a new text which the Commission said they would accept. Now we are in the position of being entirely unable to say to the Commission: do you accept this or do you not? We are now in the position of having, in effect, handed over power and influence to people outside this Chamber. In the circumstances that obtain at the moment, there is very little we can do about it. However, I do think that the Committee on the Rules of Procedure and Petitions ought to be invited to examine this position much more clearly, because we really cannot allow Parliament's wishes to be subverted in this way. In effect, that is what is happening.

I would like to support what Mr Sieglerschmidt has said. I think it ought to be referred to the Committee on the Rules of Procedure and Petitions and I look forward to their investigation and even to taking part in the investigations.

Mr Prout (ED). — I think that there may be a way around this problem. It is a general rule of the House that where the Commission gives an undertaking on its future intentions before the House finally votes on the motion for a resolution, the Commission is bound by that undertaking.

Now, as I understand it from Mr Collins, a deal has been made in the committee, a deal to which the

Commission is a party. The rapporteur would be perfectly within her rights to turn to the Commissioner now and say: Mr Commissioner, do you accept in public the deal that you have already made in private? We are perfectly entitled to do that before the final vote is taken. If the Commissioner says he does accept it, then he is bound by that undertaking and thus, in effect, we have got what we want.

Mr Narjes, *Member of the Commission*. — (DE) Mr President, if I am not mistaken there are three questions. First, that of the Rules of Procedure, on which the Commission cannot comment. Secondly, the question of content: here we agree unreservedly with the arrangement made. Thirdly, as regards the question of whether it should be a 'recommendation' or a 'directive', I am unable to agree at all to a recommendation.

Mr Collins (S), *chairman of the Committee on the Environment, Public Health and Consumer Protection*. — The point is quite simple. We did enter into discussions with the Commission, and although the Commission did say at the time that they were prepared to accept the proposals cobbled together by the rapporteur and myself in discussion with them, the fact of the matter is that Parliament has just voted against that deal.

President. — Mr Collins, I have only one further question, and that is about the consequences the rapporteur draws from the answers given by the Commission.

Miss Hooper, I will leave the last word to you and then we vote — or do not vote.

Miss Hooper (ED), *rapporteur*. — Mr President, my understanding is that the Commission is not prepared to declare itself today on the question of whether a recommendation will be acceptable. I therefore propose that we now go ahead and vote in order to get the final decision from Parliament.

President. — That means that according to the Rules we now have to decide whether or not to send it back to committee.

Miss Hooper (ED), *rapporteur*. — Mr President, I have not requested referral back to committee and I do not intend to.

I want to vote now.

(*The sitting was suspended at 8 p.m. and resumed at 9 p.m.*)

IN THE CHAIR : MR LALOR

Vice-President

Mr Enright (S). — It's a point of order and I am extremely sorry, Mr President, for inflicting it upon

Enright

you personally because I had hoped to do it before the recess. You will recall, because you were here this morning, that in fact this House expressed in no uncertain terms its feelings about a press conference that was to be given this afternoon on a document which we as back-bench Members had not received, but only 6 or 7 committee Chairmen had received. I now understand that that document has indeed been introduced to the press. It has not been introduced to the Members of Parliament. I consider this an utter disgrace and I would ask the Bureau to look very carefully at what has happened. Indeed it did appear at 3 o'clock but the press had it first thing this morning. Some of us managed to get it by 3 o'clock and certainly that did not give us time to read a substantial document like that. It is a document with which I — as it so happens — am in disagreement in parts. But that is totally irrelevant. I think it is a gross discourtesy to this House. We are not an autocracy. We are, in fact, a democracy hopefully and therefore matters such as that and documents such as that should be brought to this House first. I would ask the President, what action can he possibly take and will he take it as soon as possible? Perhaps there may be a very good case here for handing this over to the Committee on the Rules of Procedure and Petitions.

President. — I think I have two other people asking to express a view on this. I'd ask you to be brief because Mr Enright has asked me to draw the Bureau's attention to this. I think it is a logical request. But I'll hear Sir Fred Catherwood.

Sir Fred Catherwood (ED). — I just want to put the record straight that this was a view expressed by two members of the Socialist Group and certainly not a view expressed by the whole House.

And, secondly, I did get up this morning to say that, as I understood it — as I understood it — the document was available. I made it clear to the House that I had understood that it was available with all the other documents. So that at 9 o'clock this morning people knew that the document was available.

Mr Pearce (ED). — Mr President, there are one or two more facts to be put forward about this. In fact, Mr Enright ... I am sorry that it is you that has to take the flak and not Mr Dankert who was the person responsible.

The situation is extremely unsatisfactory. I went to the press conference that the President gave. There were a very large number of journalists there. The largest number of people I have ever seen in one of those committee rooms. It was a long press conference and at the end of it one or two things emerged.

Mr Dankert said that all the Members had had the document and had had the time to read it. Now afterwards, I checked up when those documents were put

in our boxes out there and the answer I got from the staff was about 3 o'clock. Therefore, what Mr Dankert said to the assembled journalists was not true. I wish the record could be put straight before the press so that the truth is known. It may be that copies were available for those who knew that there was such a document but that is not how things are done in this place. If documents are given to parliamentarians, they are put in everybody's box.

Moreover, Mr President, no indication was given by President Dankert, in the course of that press conference, of the message which Vice-President De March was supposed to be taking to him expressing the House's disquiet about this procedure. Nothing was said about that at all.

Moreover, the parliamentarians who were there were expressly forbidden, by a member of the staff of Parliament, to ask questions. So you have the ludicrous situation where the press are entitled to ask questions about a parliamentary document before we are.

Finally, Mr President, I understand that more press conferences may be coming up on this subject elsewhere. If this is the case, I hope that the status of this business will be made absolutely clear. This document — and I believe it is a good document and I am sorry that its birth has been surrounded with procedural incompetence — this document represents nobody's opinions except two outside people. It does not in any way represent the opinion of this Parliament and I think it is unfortunate that our President graced the event with his presence and rather gave the impression that it was an official document. It was not.

Mr President, I wonder if we could have a statement about this from the President of this Parliament at nine o'clock tomorrow morning. I ask you to convey that message to him.

Mr Irmer (L). — Mr President, I don't want to express a view on this issue. I just wanted to state, for the record, that I found this document in my pigeon-hole out there this afternoon, but it was in English. It was not in my language. Now I happen to understand English, but I know that there are colleagues who don't understand English and I am under the impression that this document has not been translated into all the Community languages. Maybe I am wrong, but I found it in English and my language is German. I just wanted to make this clear.

President. — I think that we already have got a reaction from Members of this House to the situation as it exists and what occurred during the course of the day. As presiding chairman at the present time, I will convey the views that have been expressed as soon as possible to the President, but it would certainly be wrong of me to take it on myself at the present time to react or make any promise in reply to Mr Pearce's request about a statement from the President

President

tomorrow morning. But I will be more likely to be able to accept the suggestion made by Mr Enright, that of fully reporting to the Bureau and asking for the earliest possible attention to it. That is all I can commit myself to at the moment.

7. Memorandum on the Community's development policy (continued)

President. — The next item is the continuation of the report by Mr C. Jackson (Doc. 1-475/83).

Mr Pisani, Member of the Commission. — (FR) I will not risk going over again, Mr President, what I said during the afternoon. I am going to act as if nothing has happened and continue with my comments on Mr Jackson's report and on the reports of Members appointed by other committees.

Returning, then, to Mr Jackson's report, I should like once again, to confirm our desire to make use of a number of different, but nevertheless complementary instruments in order to confront the situation of the poorest countries. On behalf of the Commission, I advocate the crucial principle that, rather than being identical, it is vital for our policies to be adapted to the realities obtaining in the various countries we are supposed to be helping.

Rather than broadly classifying countries and placing them in two or three different categories, I feel that it is more important for us to be able to devise support systems which reflect reality in each country: this is the purpose of our discussion and policies. The experience we have gained in food aid — in four different countries, admittedly — has taught us that we have to learn everything anew each time if we want to be effective, because different physical, historical and cultural factors intervene on each occasion, modifying the possible basis for any policy.

I should like to dwell on a sentence in Mr Jackson's introductory report, which states that if we are to offer our friendship to all countries and to help them all, we must give more support to those who use or follow efficient policies than those who do not.

I believe that in some countries — and he says so himself in the next paragraph when talking about administrative aid — the will to follow a policy and to be effective exists, but what is missing is the ability, on the basis of that country's heritage and natural conditions, to implement policies which correspond to our wishes. I believe that to differentiate in this way — which was doubtless not in Mr Jackson's mind — would lead to a selection of petitioning countries based on their adoption of policies which we regard as effective or not. I do not mean — the choice we followed on food strategy is very clear on this point — that we have to help anybody to do anything. I just mean that whenever we are making a similar judgement and trying to launch a dialogue on policies, we

must not do so starting from our presuppositions and plans in which we believe because of their effectiveness in our countries or in others that we know well, but must take the local reality as a starting point.

On several occasions in this House I have evoked the quandary of some heads of State who are responsible for their nation and yet who do not have at their disposal the instruments that they would like to lead the nation in the direction it wants to go. I have therefore alluded to an important discussion. I do not believe that there is any contradiction between the report by the Committee on Development and what I have just said, but I wanted reassurance to that effect.

After Mr Jackson, Mr Woltjer spoke about the importance of rural and agricultural development. This gives me an opportunity to say that the two are inseparable and that, whenever we talk about self-sufficiency in food, and developing the production of foodstuffs, we are not just talking about acts such as sowing and harvesting, raising livestock or milking. We are also talking about the entire infrastructure of the rural world without which production cannot be developed, comprising such elements as storage, training and education, all of which are quite essential. It would be wrong for anyone to think that, in wishing to give priority to feeding problems, we are isolating agriculture as a sphere closed off from the rest of national life. On the contrary, we consider agriculture to be the crux of the general development of a country and an axis around which attempts to build infrastructures, and to develop culture, education and even industry all have to be organized.

Once again, on this point, I should like to be sure that there is no contradiction between the report and the position that we have adopted. It is evident that one of the aims of food aid should be that it cancels itself out and is no longer needed, thus becoming an instrument for development, but it is an illusion to think that food aid can disappear overnight. At the moment, it is indispensable. What is vital is that it should be used in a positive fashion. We do not want to foster the illusion that an agricultural revolution can take place as quickly in poor and developing countries and that from one day to the next they can become self-sufficient. Of course we are hoping to scrap food aid eventually, but it cannot go just yet. It must be used as an instrument of development.

Mr Muntingh, on behalf of his committee, laid great stress on environmental problems and raised a vital question which I should like to go into more thoroughly one day, perhaps in a debate or perhaps through his own committee, namely, is there a contradiction between the best use that can be made of resources and the conservation of resources? In my opinion, there is no contradiction. There is no question of promoting production at the risk of destruction. It is a question of making maximum use of existing potential while at the same time reconstituting such potential. I should like to mention now

Pisani

the efforts we are making, thanks to this Parliament — thanks to this Parliament, I stress — which we are making in the context of the 50 million ECU which we are devoting to new action policies to combat erosion, to protect animals, etc. It is not feasible to go into any great detail this evening but the fact remains that, in a continent such as Africa, it is impossible not to take account both of the enormous resources available and the considerable efforts that need to be made to exploit them.

Questions have been raised about the overall direction to be followed. A working party exists now to take into consideration the environmental aspects of all projects. I will not dwell on Mr Jackson's criticism of the Commission for not having been strict enough with itself and with the policy followed. I just want to say that if we propose new orientations — which we do, moreover, based on the deliberations of this Parliament — we are merely expressing our awareness of the fact that everything that has been achieved up to now must be improved upon, extended and reinforced.

In reply to Mr Notenboom, I should like to specify that we believe the European Development Fund should be included in the budget, because we believe, with this House, that it is democratically logical for all the intervention instruments to be governed by the Community budget and also that consistency should be the rule for all the development instruments. The existence of different forms of financing can lead to contradictions. The fact that the European Development Fund escapes Parliamentary supervision can give rise to political problems. The Commission therefore proposes, *expressis verbis*, that the EDF be budgetized and that a consistent package of intervention instruments be created in this way.

Likewise, with all necessary caution, and according to methods that still have to be worked out, we are hoping that coordination between the policies of the Member States and those of the Community can be guaranteed. In this instance, I should like to express my agreement with Mr Jackson's suggestion that an assessment should be made of the effectiveness of development policies in relation to their cost to national and Community budgets. Speaking for the Commission, I can say that we accept the idea of this comparison without any great fears because we feel that, on the basis of a number of assessments, the present system is a good one. Even if I accept your suggestion, Mr Jackson, that there is a need to simplify administrative procedures, the complications and complexity of these procedures penalise the poorest countries, which do not have the capacity to attain such levels of complexity.

I should like to conclude now, Mr President, even though I have not managed to answer all the questions that were raised. I agree with the conclusions and the introduction of Mr Jackson's report and support many of the other speeches that have been

made, to the effect that development policy — as I said at the beginning — is an essential element for the Community. It is through its contribution to developing countries that the Community will best define its role in the international market. I am therefore grateful to this Parliament for the efforts it has made to clarify and strengthen such a policy.

(Applause)

Mr Cohen (S.). — *(NL)* Mr President, one of the more unfortunate aspects of this Parliament's procedures is that we have to talk about Mr Jackson's motion for a resolution today and vote on it tomorrow, when we should really be talking about the Commission Memorandum drawn up by Mr Pisani. I shall therefore attempt in my contribution to this evening's debate to make a distinction between, on the one hand, what I would like to say regarding the contents of the Memorandum and, on the other hand, the contents of Mr Jackson's motion for a resolution. As spokesman for the Socialist Group all I can do is express my appreciation for the point made by the Commission in Mr Pisani's Memorandum. Obviously, we do not agree with everything. Certain members of our Group would have appreciated it if the Memorandum had placed less emphasis on Lomé and the need for a Mediterranean policy — which is undoubtedly essential, but should nevertheless be complemented by a more world-level policy, to which a mere one and a half pages are devoted of the total 40 pages of the document. One may therefore criticize certain aspects of the Memorandum but, broadly speaking, the Socialist Group goes along with it. We agree as regards the need for a dialogue with the developing countries, the need to promote agricultural production in those countries and the idea of food strategy. We also feel that the dialogue cannot be restricted to these food strategies but must also deal with other forms of policy. We do not know — and opinions probably differ on this point in our Group too — whether the basic idea underlying Mr Pisani's Memorandum, which I would sum up in the phrase 'trade not aid', is genuinely tenable or whether both trade and aid are equally important — and whether or not more should be done to combat the protectionist tendencies in evidence in our Community than would appear from Mr Pisani's Memorandum. However, apart from these criticisms, which only concern certain aspects of the Memorandum, we are broadly speaking in agreement with Mr Pisani's Memorandum. The problem simply remains that Mr Pisani's Memorandum is only a memorandum. From the institutional point of view, one may well ask whether it is sensible for the Commission to continue submitting memoranda to the Council of Ministers or whether or not it would be a better idea to work along more direct lines and to give a more substantial character to the ideas it puts forward in Memorandums, by drawing up regulations, directives or other legal forms too.

Cohen

Having said that, Mr President, I should like to comment on Mr Jackson's motion for a resolution, which consists of some 78 paragraphs and extends to 50 pages, while the Commission Memorandum consists of a mere 40 pages. What Mr Jackson was trying to do with this report on the memorandum — and when I say Mr Jackson, I really mean the Conservative contingent in this Parliament — was to draw up a new development policy for the Community and this is something, Mr President, which we in the Socialist Group cannot accept.

Thus there is a difference of opinion as to what is contained in the memorandum by Mr Pisani on the one hand, and what Mr Jackson thinks he should make of this memorandum on the other. Mr Jackson has attempted, I repeat, to develop a new philosophy which in fact boils down to what is known in other parts of the world as 'Reagonomics' and what is referred to on occasion in some parts of the Community itself as 'Milton Freedmanism'. The Socialist Group regards the proposals contained in the motion for a resolution as unacceptable. While drawing attention to the need for the aid to be more efficient, Mr Jackson nevertheless made it clear in his statement this afternoon that the countries involved must themselves make more efforts to ensure that the aid is utilized in an appropriate manner in the light of the needs of the country in question — which begs the question of who is to decide what these needs in fact are. Are we the only ones to have a say in the matter or can they decide too? The entire philosophy implicit in Mr Jackson's report is unacceptable to us as the Socialist Group. We will undoubtedly support many of the points contained in the resolution, i.e. the 0.7 % and the 0.15 % and other points which have already been formulated better in other resolutions — such as the Ferrero resolution or my own resolution on the Paris conference or the Belgrade conference. However, in view of the philosophy, the general approach, of Mr Jackson's motion for a resolution we will vote against it.

Mr C. Jackson (ED), rapporteur. — A very brief point of order, Mr President. According to the Rules — and this is indeed the case — the report that is placed before Parliament is the report of a committee, voted by the committee, on which all the parties in this Parliament are represented, and not the report of a single party in this Parliament, as Mr Cohen suggested.

President — That may be a fact, Mr Jackson, but it was not a point of order.

Mr G. Fuchs (S). — Just a word to Mr Jackson. It is clearly not the report of a single political group, but neither is it — and he knows that very well — the report of all the political groups in this House.

President. — I am afraid I shall have to be a little more fussy about points of order.

Mr Vergeer (PPE). — (*NL*) Mr President, ladies and gentlemen, I should like to begin by thanking, on behalf of the European People's Party, our colleague, the rapporteur, Mr Jackson and in particular Mr Pisani for the memorandum submitted by the Commission. I am convinced that it is primarily as a result of his efforts that we are able to discuss this memorandum here today.

There is a great temptation — and as I see it, the Rapporteur yielded to it a little too much in his report — to use this debate as an opportunity to make a detailed evaluation of the development policy of the Community and the Member States. I have no intention of doing so today — nor have I the time — but I think this Parliament and, in particular, the competent Parliamentary Committee have already done this in considerable detail on numerous occasions in the past. The question before us today is whether or not we agree with the results of the reorientation of our development policy and whether or not we support the views of the Commission as set out in this memorandum on the general principles and points of departure for the extension of Community development policy in this decade. Mr President, the European People's Party takes a positive view of this memorandum — and I should like to make this quite clear. Unlike the Socialist Group — whose views we have just heard, much to our dismay — my group intends to support Mr Jackson's motion for a resolution on which my colleague, Mrs Rabbethge, will shortly make a few further observations.

This memorandum has, I think, come at an appropriate time, since the continuing crisis of the Western world and the increasing deterioration of East-West relations have overshadowed another problem which can only be described as decidedly disturbing. At present, there is an almost total indifference to the ever widening gap between the rich industrialized countries on the one hand and the poor developing countries on the other and this is something which has again become very apparent only recently with the failure of the sixth Unctad conference in Belgrade — which the Commissioner himself mentioned this afternoon. The rich north and the poor south did not succeed in translating a common realization of interdependence into action in practical terms. This interdependence is more apparent than ever in this time of worldwide crisis out of which no country or group of countries will find a way out on its own. This situation requires a joint approach.

I should like to add that the resolution adopted virtually unanimously by this Parliament in preparation for Unctad VI in fact made an impression on the group of 77 and it is regrettable therefore that, as became

Vergeer

apparent in Belgrade, the Member States of the Community have hardly taken any notice of it. Unctad VI was a failure partly because the Community and the Member States failed to adopt a united and positive approach. The Community also bears considerably responsibility for this, as I see it, and it is the duty of the European Parliament to make matters very clear to the Commission and, in particular, the Council in each case as it arises, although we have no time for this today.

Mr President, it is difficult to propose an overall initiative which would prevent North-South relations from crumbling and the most we can hope for therefore is a limited initiative which might be taken at regional level. I think it is in this light that we should assess the Commission's memorandum and since the number of countries which will be directly involved is relatively large, the success of this Commission initiative may be very useful for the future of North-South relations.

Mr President, it is the aim of the Pisani plan to mobilize all the various instruments available to the Community for the purposes of a cohesive policy and we must also, in this connection, think in terms of the replacement policy which Mr Notenboom mentioned this afternoon on behalf of the Committee on Budgets. This is something of which we take a decidedly positive view since it is a question of the Member States deciding independently to strive, by means of constant coordination and harmonization, for greater cohesiveness and dynamism in the work they do for the developing countries. The central aim of the plan, apart from the supervision of attempts to conduct autonomous development policy, should remain the promotion of independence in food supply by means of an active agricultural policy and an economic policy which stimulates food production. Rural development and improvement of the food production situation is the beginning and not the end of the development process.

In the view of my Group — and I will make to bones about this either — the Pisani plan will be difficult to put into practice — indeed it only stands a chance of succeeding if the donors really take a harmonized approach. The European People's Party feels that the Pisani plan contains elements which are sufficiently valuable to warrant reorienting the aid policy of the Community and Member States more in this direction.

(Applause)

Mr Pearce (ED). — Mr President, I would like to welcome the Pisani memorandum as a most valuable basis for discussion on some new attitudes towards development policy, and I would like to thank Mr Jackson for a very fine analysis of that memorandum. He has made his report on behalf of the Committee on Development and Cooperation, of which Mr

Cohen is a member and at a meeting at which he was present. His report is a fine balance, I think, between the different views put forward. Therefore, I am somewhat surprised at the rather dog-in-a-manger attitude expressed from the Socialist benches.

If the report had been a Conservative Party document one or two elements of it might have been expressed somewhat differently from the way they appear in the report. I would like in a few minutes to underline some of the elements in the Jackson report, some of the things that we think strongly are important.

We think the reference to human rights is an important thing that should go in. Human rights in developing countries are just as valid and important as they are in our Community. The effectiveness of aid is not just a question of paying the money and sending the goods; it is of getting aid that is appropriate to the need, that is well packed and well delivered and serves a particular purpose. That emphasis is useful. The stress on trade we think appropriate, and there is reference there to the need to withhold protectionism. I remain convinced that in many cases trade is more important than aid.

The need for food strategies is important and those of us who recently visited some parts of Africa saw the problem that continuous food aid can bring about a mentality in people where they no longer wish to try to provide for themselves. Our object surely should be to set the poorer people of the world on their own two feet and let them make their way in the world.

The reference to population policies, birth control, is another essential element. We can never solve the problems of starvation and malnutrition with the population of the world, and particularly of its poorest part, rocketing away as it is.

We welcome the reference to a dialogue between the Community and our partner countries, and we welcome particularly the reference to the importance of private investment. Private investment, private flows of capital, are just as important for developing countries as official development aid, and we should like to see more stress on that.

I think this is a fine report and my group will be supporting it.

(Applause)

Mrs Caretoni Romagnoli (COM). — *(IT)* Mr President, the Italian members of the Communist and Allies Group see the Pisani Memorandum as a noteworthy attempt to redefine development policy, to pinpoint the reasons for failure and to put new ideas into circulation both on the theoretical and practical level.

Commissioner, the danger is — as has happened to so many impeccable theories and strategies, including for one the UN resolutions that they may fail at the moment of implementation. In your Memorandum

Carettoni Romagnoli

too we see — side by side with an acute and indeed irreproachable criticism of the theoretical aspects, a more superficial treatment of the practical and political reasons for certain functional shortcomings.

It is true that if the document were complete as we understand it, it would have run up against much hostility and suspicion on the part of the governments concerned; however, it is equally true that the Memorandum can only be a good starting point for Lomé III or for any other agreement or treaty if political consequences are drawn from it on the basis of concrete choices. Here we are very familiar with the difficulties: one need only mention the recent Unctad conferences.

We think that Parliament should take up an initiative on these lines, highlighting the fundamental motives in operative terms, so that in the case of Lomé the ACP and the 10 Member States will be faced with precise responsibilities and choices, and not only theoretical ones.

Mr Commissioner, it is easy to agree with the solemn words you have said and on the necessity to take man as the point of departure. However, as I have already said, it will no longer be possible to remain equivocal as the time of the negotiations.

In our opinion the Pisani document is an eminently Community act and as such deserves a constructive response from the Parliament. But what assistance does Mr Jackson's report give us on these lines? The rapporteur had two ways open to him: he could select a number of points and, benefiting from our experience in the European Parliament, formulate them in concrete terms, or he could slavishly follow the Memorandum and translate it into a resolution.

The rapporteur preferred the second approach and I believe that he was unwise to do so, because his report fails to reveal the priority which the European Parliament should give to a number of points and because one focal point of the memorandum is lost, i.e. cooperation. Too often the report returns to the concepts of aid and assistance (for example in Chapter 3), while the duties of the States remain vague, as though the rapporteur considered that the primary task was to assist private individuals: this is the case, for example, in the entire section relating to industrial cooperation.

I would like to thank the rapporteur for being willing to accept some of our amendments on the weaker social groups, on women and on cultural cooperation, but we believe that this provides no new impulses; it lags considerably behind the Memorandum and fails to seize the extraordinary opportunity given to Parliament to define what a development policy worthy of the name could be in 1983; to tackle with courage the issue of involvement about which all of us have said so much; to pinpoint the relationships between development policy and the policies of the Member

States which the rapporteur refers to mainly in the justification.

In brief, the report dwells upon an analysis of the past and current situation while failing in our view to highlight the leap forward into the future and at the same time to consolidate the Memorandum by placing it on a firm footing, as I have already said.

Despite these fundamental criticisms we support the report, because we believe that Commissioner Pisani's memorandum is an extremely important contribution to development policy in the European Community.

Mr Poniatowski (L). — (*FR*) After more than 20 years of a Community policy on development aid, Mr President, it was necessary to draw up a report and conduct a critical analysis of the past, and to define broad approaches and targets for the decade to come. We are grateful to the Commission of the European Communities and to Mr Pisani for having prompted this major debate.

Mr Jackson's excellent report reflects the views of the majority of the Committee on Development regarding the proposals in the Commission's memorandum. I will therefore confine my speech to two remarks.

The first concerns the duration of the future ACP-EEC convention, I think that it was a good idea of the Commission to put forward the proposal of a framework convention of unlimited duration, of which the various operational chapters would be periodically reviewed. This proposal will go down in history as a demonstration of the Commission's will to establish special and long-lasting links with the ACP countries. Nevertheless, for all that I'm not convinced that such a proposal could be converted into reality by the time of the next ACP-EEC convention.

It seems that people on neither side — the Member States, or the ACP countries, — are ready for such a radical and imminent change. The conceptions of the ACP countries and those of the Community regarding the nature and content of their association are still too far apart and too subject to change to be fixed, as from now, in an immutable framework of unlimited duration.

The contracts that we have had recently with members of ACP governments or heads of State have confirmed this point of view. Thanks to you, Mr Pisani, the future agreement will no doubt be clearly distinguished from Lomé II because of the emphasis placed on domestically-based development, regional cooperation and the stepping-up of agricultural food production. But we need to see some results before these principles can be incorporated into an agreement of unlimited duration.

My second point concerns the birth rate in developing countries, particularly in Africa. Africa holds the record with its birth rate of 2.5%. The population of

Poniatowski

most of its countries will double in the next two decades. A number of countries in Africa hardly manage to sustain their present levels of food production. As you all know, only five of 41 sub-Saharan countries with large agricultural sectors have managed to step up their food production sufficiently in recent years to ensure that it is greater than the increase in their population.

In some countries, food production per inhabitant dropped by more than 20% between 1970 and 1982. A recent report from the FAO stressed that the population of sub-Saharan countries would quadruple 35 years from now. Given this situation, Africa will be able to feed only a little less than half of its population from its own resources. The OECD has just announced that, after a drop of 6% in 1981, public aid for development increased by 9% in 1982. This increase is practically insignificant measured against the population growth of developing countries. Today, 20% of the Third World population is suffering from hunger and by the end of this century, if other factors remain the same, 40% of this population will be undernourished!

Consequently, the failure of Unctad VI is a political and humanitarian scandal. The population explosion can only be halted if economic, social and health progress is achieved in each of the developing countries. Only the enrichment of cultural levels and knowledge in each developing country will allow them to control this dramatic increase. By channelling aid and investments towards the direct improvement of living conditions, beginning with food and education, one can hope to contain the population explosion of southern countries. The political and human consequences of an excessive and rapid population explosion could eventually represent a threat to the world which is just as awesome as the terrifying weapons which northern countries possess.

Having made these points, I should like to say that the Liberal Group, Mr Pisani, will be voting for Mr Jackson's report.

(Applause)

Mrs Rabbethge (PPE). — *(DE)* Mr President, ladies and gentlemen, it is a truism to say that the desirable and the feasible are rarely immediately compatible and we must concede therefore, that it is not easy, as the Commission says in its memorandum, to make major reforms in difficult times or to get over periods of, as it were, conceptual stagnation.

On the other hand, we must thank Mr Jackson for his really comprehensive report in which, in seven very telling chapters, he outlines European development policy in the past and a new Community strategy for the future.

As I see it, the European Community should get its heads together to bring about a systematic reform in

development policy. There are, I think, three key points which call for attention. Firstly, as my colleague himself mentioned, there is a need for greater cohesiveness and coordination, i.e. agricultural, trade and industrial policy must hang together much better than in the past and there must be better coordination between bilateral and Community policy with a view, *inter alia*, to bringing about greater efficiency even if the funds available are more limited.

I should like to say to my good and respected friend, Mr Cohen, that there is nothing immoral about efficiency. However, perhaps we should discuss this point elsewhere on some other occasion.

Secondly, private investment should be guaranteed in future by means of special protective measures, and play a greater role in economic cooperation.

Thirdly, human rights, as sensitively formulated by Mr Penders in his motion for a resolution on the ACP meeting in Jamaica, must be stressed more strongly in future in all the various agreements. Thus, certain reforms are urgently needed, and the bitter lessons we have learned at national level are also relevant at international level as regards development policy, i.e. the longer vital reforms are postponed, the more expensive they become.

The reasons underlying our development aid policy are a curious mixture of moral amends for capitalistic colonial policy, christian love for one's poor neighbours, economically motivated cooperation with countries with extensive raw-materials resources and a world-wide military strategy in the context of the East-West split.

Whatever the reasons as far as each individual Member is concerned, this European Parliament has always agreed on one point in its fight against poverty and hunger in the world, i.e. the clear realization that where there is hunger we cannot count on peace. The Jackson report should, I think, receive the support of a large majority and I feel that our colleagues in the Socialist Group should think again about their decision.

(Applause)

Sir Jack Stewart-Clark (ED). — Mr President, I think we should all thank Mr Pisani for a most responsible plan. Equally, Mr Christopher Jackson's report is balanced and realistic, and I, for one, am glad to hear the remarks of Mr Pisani, which I take as being most positive to that report. It is perhaps something of a disappointment that we find ourselves with this very limited amount of time and at this time of the evening debating such a very important subject.

I make just two points. First, Mr Pisani talks about helping all developing countries. Of course, I support him. Not only should we be thinking of the ACP countries, but all the other developing countries as well. May I, at the same time, add a word of caution?

Stewart-Clark

What about those wealthier countries which are getting substantial free trading rights from the Community? Are we in the Community really insisting, as we should be, on sufficient reciprocity? I would like to see the Commission prepare a detailed analysis of trade flows to show exactly where our aid is going and, in particular, what we, the Community, are getting in return from those wealthier countries who should be able to provide benefits to the Community as well as the Community giving benefits to them.

My second point is in regard to the population in the poorest part of the world. This is a recipe either for disaster or for opportunity. Disaster surely if population is not controlled; if aid is given indiscriminately. As Mr Poniatowski says, a 40% increase in undernourishment is quite possible.

But surely it is an opportunity if these countries are helped with training, with education, with infrastructure and with investment from the private sector in order to create wealth.

Mr President, we talk about a world-wide recession; we talk about our unemployment. These things will only be cured if we can get a regrowth in the world economy and that growth will come as much from the Third World as it will from our own nations in the West. It is time, therefore, that we took our heads out of the sand. I beg to support this motion.

Mrs Poirier (COM). — (FR) To begin with, Mr President, I believe that we cannot view the results of the Community development policy and its future perspectives separately from the world context, because that is where the basic problems lie. Assessing two decades of cooperation, we can see that the average income of some two thousand million human beings has stagnated or even deteriorated. All the studies that have been made state that, given these conditions, the situation can only get worse and worse.

We are entitled to ask some questions: why have the reference targets set out in the Lomé Convention and the resolution voted on by our Assembly on the day before Unctad VI not been translated into acts in the negotiations conducted in Belgrade by the EEC? The position — I would say the commitment — of the EEC on the prices of raw materials, interest rates, debt absorption in the case of less advanced countries, and assistance in technological progress which conforms with the true needs of various developing countries, all these things are the touchstones of our will or absence of will to participate in the development of third world countries.

The same applies to the programming of an increase in development aid. The Commission's memorandum reminds us that the World Bank estimates that aid would have to be doubled, just to avoid a static or negative birth rate per inhabitant in Africa south of the Sahara. After the recent meetings held by the

Council of Ministers on development where some Member States — I am not talking about France, of course — refused any increase in such aid, I myself in Belgrade witnessed the EEC in the main aligning itself, when all is said and done, with the freeze measures adopted by the United States, and the 77 signatories have spoken bitterly to us about the gulf between what has been said and what has actually been done by the Community during Unctad VI.

Is it really necessary for me to remind you that we will never get out of this crisis unless a new economic order is instated, and unless the demands made by the non-aligned States, which are in no way contradictory to the true interests of the people of Europe — quite the contrary — are acknowledged? Must I say, yet again, that unless the conditions governing international trade and the international financial and monetary systems undergo profound changes, there will be no development, and the Lomé Convention, which concerns us more specifically, will remain — despite its good intentions — merely a fragile bulwark?

Apart from these facts, which, to our mind, are crucial, we agree with the broad lines of the assessment traced by Mr Pisani. No doubt a critical analysis of the activities of the EEC in the past would have deserved deeper and more constructive attention. As for the targets fixed, we are particularly in favour of domestically based development, new economic cooperation, self-sufficiency in food and energy or the true stabilisation of receipts from exporting basic products. But we believe that these cannot be achieved without an industrial boom, which — in our opinion — is underestimated in the memorandum. Be that as it may, we feel that, even if development is a global attitude yet to be defined, everything adds up to the need to avoid the wasteful splitting of resources and to further enhance the privileged nature of our ties with the ACP countries. This document by the Commission should have a practical impact, since — I hope — it will be used in the negotiations for the next Lomé Convention. But it will not be the only element used, because the assessment and proposals put forward by the ACP countries themselves are absolutely vital for a balanced vision of events.

Before concluding, I really must say something about Mr Jackson's report. In some ways, this sets itself up as a kind of counter-memorandum, but is of lesser quality. It illustrates an approach to development which — with its parochial concerns — is essentially a mercantile approach. We do not of course share this view and I think I have made that obvious. On a number of points, this report is in contradiction with the aims fixed by the developing countries themselves, in Lagos or Buenos Aires, for example.

To sum up, while we consider the Commission's memorandum a good basis for future work — and are anxious to stress this as forcefully as we can — we do

Poirier

not follow the guidelines given by the rapporteur in this debate, because really two quite different philosophies are being propounded here.

Mr Pisani, Member of the Commission. — (FR) Given the late hour, Mr President, I should like to reply very briefly to some of the problems that have been raised. I trust that Members will excuse me for not going into detail over their questions.

I should like to say to Mr Cohen that strategies will not only concern food; we intend to apply them to other areas, particularly to that of energy, for instance. On the difficulty of coordination and the complementary character of intervention, about which several speakers have expressed concern, I should say that my reply to Mr Notenboom a short while ago showed precisely the Commission's desire for the inclusion of development in the budget, by which we mean to give all the Community institutions the opportunity of a united view of development policy. We must not tackle this question in terms of a conflict between institutions, but in terms of a coherent policy. It is my belief that the coordination of national policies with a Community policy will then be able to take place more easily; they are already complementary to each other but need to be more greatly coordinated.

With regard to human rights, which Mr Pearce spoke about, I had hoped to have a more detailed discussion with Parliament about this. I do not believe that our approach can avoid, to a certain extent, being an external one. But neither do I believe that we can come forward with our conception of human rights and impose it on other people. We must look at their history, appreciate their development and try to encourage positive signs of progress rather than demanding that they immediately put our ideas into practice. Indeed, with regard to a number of problems, when not those of basic rights, there may well be others. I think that discussion of human rights will be difficult during the forthcoming negotiations for the next convention, but this is a discussion which must be held in a spirit of deep respect for the other party.

In answer to Mrs Caretoni Romagnoli's question concerning practicalities and the gap that there risks being between ideas and practice, I would say that implementation means the actual Lomé Convention, the agreements concluded with one country or another and the activities undertaken here or elsewhere which inform us about this topic. The purpose of the memorandum was not implementation, it was to give rise to reflection and to fix a number of axes.

I want now to go on to a problem which is really basic, that of population growth. I agree with other people most strongly, and particularly with the President of the Commission that, unless we overcome the problem of population growth, we will never solve the development problems of the poorest countries. I

should like to point out that there is an ambivalent connection between population size and development: a large population hinders development. But there is also a link between development and population size: underdevelopment tends to promote a population explosion. Therefore, unless we tackle both problems at the same time, if we persist only in approaching the problem from the angle of imposing restraints so that the population goes down, we will not solve this problem. We must tackle this question as a whole and I think that was the message of several speakers.

A word about two points raised by Mr Stewart-Clark on mutual benefits. I believe that we may hope — that we *do* hope — that this problem will exist in a few years, because it would prove that developing countries had in fact developed and had become our effective competitors. The problem hardly exists at the moment. But it will come in time. We still have to see how far we will be successful, but yes, with an eye to the future we do hope that the question of mutual advantages will be raised. That would prove that the developing countries had progressed.

On the question of economic recovery, I should like to say that our analysis permits us to say that it is taking place and is even quite significant in some areas, but, even if it were more substantial and long lasting, it would not automatically lead to a launching of developing countries' economies. The worldwide economic recovery will first of all benefit rich countries and unless we lend a hand, unless we make specific efforts to include poorer countries in the movement towards recovery, these poor countries are going to remain backward and be left even further behind. Recovery alone is not itself sufficient to entail the development of the poorest countries.

My last two points — very briefly — are addressed to Mrs Poirier. What struck me at Belgrade was not so much that the Community had aligned itself with the United States, but that its internal differences and deep uncertainties did not allow it to play — separately from the United States — the role of mediator which it used, traditionally, to play. It was not able to be independent enough to resist, it is true, a number of requests and suggestions. There was no complicity; there was simply a real inability on the Community's part to make its point forcefully in the face of situations which merited that it be decisive, for then the Community's role would have been a clinching one.

Finally, as regards the relationship between the new international economic order and development, Madam, there is one thing I am sure about: there are two ways of engaging in this debate: we can either place all our faith in the new international economic order, in the hope that it alone will solve all our problems — but it will not manage to solve them all

Pisani

— or we can enter the debate through the development of each country itself, but again the problems would not be solved, because in their current disarray, these countries would not reap the benefits from their own efforts. But if we adopt this dual approach — a redefinition of international relations and individual efforts on all sides — we may, one day — and this is our ambition — be able to achieve a situation whereby the world is less unequal.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

8. Community sugar policy

President. — The next item is the report (Doc. 1-456/83) by Mr Sablé, on behalf of the Committee on Development and Cooperation, on the medium and long-term problems of the Community's sugar policy in relation to the ACP-EEC sugar protocol of 30 September 1981.

Mr Sablé (L), rapporteur. — *(FR)* Mr President, ladies and gentlemen, sugar is one of those rare products which are subject to direct competition between North and South. Those of us who have taken part in discussions with the Consultative Assembly or the ACP-EEC Joint Committee have been forced to realise the extreme sensitivity of our Lomé Convention partners with regard to this subject. That is why today's debate is a test case. Let us demonstrate to our ACP friends that the European Parliament is not Unctad and that here, at least, we can leave behind national selfishness. Sugar is traditionally a product close to the hearts of European consumers and one of the first to be hoarded by households whenever a crisis is rumoured. We must recognize that the sugar policy instituted in accordance with the objectives of the Treaty of Rome has guaranteed regular supplies to all Community Member States and to other countries outside.

But, in a world context, sugar is also sometimes the source of dramatic problems, with features such as economic depression, the drawbacks of being a sole crop, variations in exchange rates and persistent social underdevelopment. The nations of Europe must acknowledge their historical responsibilities and assume them. Before the appearance of sugar beet in the 19th century, sugar cane was the only known form of sugar. In 1843, the great French poet Lamartine went so far as to support a draft law which sought to prohibit the production of sugar beet, which, at the time, was a burden rather than a benefit to the national budget. Let us not forget, for history's sake, that Lamartine was beaten in the Presidential elections five years later. Inheriting the obligations of the United Kingdom under the Commonwealth Sugar

Agreement, the European Economic Community, as from 1974, committed itself to buying 1 300 000 tonnes of ACP sugar under the terms of the sugar protocol negotiated at the same time as Lomé I. More than 85% of this quantity is refined in the United Kingdom by a single company, with all the risks of monopoly that that entails.

The Committee on Development and Cooperation has looked at this whole question of sugar and has confirmed the basic merits of the sugar protocol, which, with all its inadequacies, remains an indispensable instrument for the ACP countries. It consists of a reciprocal commitment to purchase and deliver determined quantities of sugar at guaranteed cash prices negotiated annually. In fact, negotiations tend to lead to an indexation of such prices by tagging them to Community prices, fixed in accordance with European criteria.

As I speak now, negotiations have been broken off with an offered price rise of 4.5% as against the 8.5% asked for, and the damage done since 1 July is obvious, since refiners intend to purchase their supplies at the previous year's rate. Once again our ACP partners are stressing that this system does not take certain economic factors into account, notably the increase in freight charges, and is responsible in real terms for the drop in the preferential price granted to them. The current sugar regulation, covering the period 1981-85, has once again led to a regime of quotas. The Commission has nevertheless specified that regimes guiding productions, and not prices, were preferable to the current system of quotas. This new development could have serious consequences, with a negative impact on the ACP countries, since the ACP sugar prices — which are aligned with those of Community sugar — would also be reduced. In addition, progress in science and technology is threatening to change a situation over which the ACP countries have less and less control.

Turning to medium and long-term problems, I should like to draw your attention to two new factors which are causing considerable upheaval to the world market. As a result of the increase in productivity of sugar beet as opposed to sugar cane and the unexpected development of substitution products between 1968 and 1980, Community production of sugar beet has increased by 50%. The competition caused by sugar beet has been added to by that of isoglucose, the production of which has increased at an extremely rapid rate, particularly in the United States. If all the manufacturers of soda drinks in the United States were to follow the example of Coca-Cola, 900 000 tonnes of sugar would be replaced by isoglucose. This artificial sweetener already absorbs 37% of sugar consumption in the United States and represents a very grave threat to sugar production in the Caribbean region.

Sablé

Faced with these problems, what are the future chances of sugar production in the ACP countries? At this point I should like to stress that the sugar protocol is more political than economic. Let us not encourage the existence of new Cubas which could impel the ACP countries to conclude barter agreements with the Eastern bloc. We must recognize the vital importance of sugar cane for the economies of some of our partners. For some of them, this is in fact the only crop they can grow. It is, indeed, much easier to diversify agriculturally in temperate regions than it is on the islands of Mauritius or Fiji. What is more, I should like to say to those of you who are so in favour of such diversification that we must begin by taking full responsibility for it, by which I mean that we must accept the free access of any ACP products resulting from this policy into the Community. In the face of all the above-mentioned problems, cane sugar's competitiveness is threatened. This purely economic fact is politically unacceptable. One suggestion would be to abolish the obligation on the ACP countries to deliver, the Community making do with paying — for fixed quotas — the difference between world prices and the guaranteed price. The obligation to supply the EEC with 1 300 000 tonnes, reexported a short while afterwards, sometimes in the same part of the world, may seem an aberration. If this obligation were abolished, the Community would save money on export refunds, storage and transport. This solution however, leaves out a vital point: the world market wants white sugar and not brown sugar and refining and storage capacities are inadequate in ACP States. We must therefore seek to attain peaceful coexistence on the Community and world markets cane sugar and sugar beet.

A number of accompanying measures for the sugar protocol are necessary, among which — and I will conclude with this point — there is the Community's accession to the next international agreement on sugar. Of course, it is no good just negotiating any type of agreement. The European sugar industry is now the most efficient in the world and it would be absurd to sacrifice it just to benefit producers in Australia, South Africa or Cuba. But as the Community is the world's prime producer of sugar, its second consumer worldwide and its second exporter, it can hardly refrain from participating in such an agreement if it wants to retain credibility in the eyes of its trading partners. Its adhesion to an agreement constitutes a political and moral commitment towards developing countries. Only coordinated international action, ultimately leading to the market being shared, would permit a solution to the contradictions between the interests of the ACP producers and the Community's sugar policy. Such a policy presupposes nevertheless that developing countries which export sugar cane have adequate refining facilities and a guarantee of various outlets. It ought to be possible to envisage the setting up of regional refineries with financial aid from the Community.

That is all I have to say, ladies and gentlemen. The EEC and ACP producers owe it to themselves to accept a certain discipline. Sugar is not the only product on which their trade exchanges are based, nor is it the only binder in the privileged links which unite them in the face of threats from the future. Mutual interests and reasoning will make it possible to find a solution based on interdependency.

(Applause)

Mr G. Fuchs (S). — *(FR)* Mr President, ladies and gentlemen, Mr Sablé's report on sugar seeks to render a number of objectives — which at first sight appear contradictory — compatible. For us, this problem has three basic elements.

First of all, there is the internal element, characteristic of our entire agricultural policy. How can we remunerate satisfactorily our small producers without creating the conditions for excessive production, particularly where sugar is concerned, the consumption of which has remained stationary for years?

Then there is the external element. With the sugar protocol, we have committed ourselves to importing 1 300 000 tonnes of white sugar equivalent at guaranteed prices from the ACP countries. As we are all well aware, this commitment is of vital importance to a number of these countries because it represents an important part of their export revenue. But how can we keep to it if there are surpluses?

Finally, there is the element of change already referred to by Mr Sablé. We are forced to acknowledge that the productivity of sugar beet is increasing at a far higher rate than that of sugar cane, which seems to sound the death knell of the latter. How are we to react to this trend?

Having phrased the question thus, what, first of all, is the situation? I would say that it is characterized by four aberrations. Firstly, there is an aberration where the trade circuits for sugar are concerned. I will confine myself to only one example, the State of Vanuatu in the Pacific, which consumes sugar from the Fiji Islands. If you look at a map, that seems quite reasonable, but in between production and consumption, this sugar has in fact been refined in the United Kingdom.

Then there is the aberration of our sugar policy, which has transformed our Community from being a net importer of sugar in 1974, with a self-sufficiency rate of 90 % — which is why, by the way, the sugar protocol meant something for us at the time — into a net exporter, the second in the world, with more than 4 million tonnes and practically 20 % of the world market, which is already flooded. In passing, these figures show that if there is a problem of surplus sugar in the Community, this is because it is *our* sugar, and not that of the ACP countries.

G. Fuchs

Thirdly, there is the aberration at the level of developing countries, because the drop in the world rate, for which we are responsible, since we have effectively refused to join the International Sugar Agreement, means that the ACP countries risk losing more money than that which we guarantee them through our protocol.

Finally, there is the aberration for Community funds, because the gap between our internal prices and the world price is widening to the extent that today, the various levies to be paid by our producers can no longer manage to offset our refunds, which would in fact be the desirable solution both in budgetary terms, of course, and for consolidating our negotiation position within GATT.

Given these conditions, the Socialists believe that four proposals are vital to remedy the situation.

The first of these proposals is to help the development of South-South trade, which fits in well with the idea of supporting development strategies based on self-help proposed by a number of ACP countries and which we are also trying to promote elsewhere. By setting up new refining facilities or by encouraging people to consume brown sugar — a social phenomenon which might well be reversed — this aid is of the type which reduces costs and makes more economic sense.

Our second suggestion is to retain, in any future Community sugar regulation, the price-quota system of regulation which is currently in force, because a system based on prices alone would give rise to income problems that are as insurmountable for us as for our partners. We can see this clearly today, since the ACP-EEC negotiations on the year's prices have been broken off because the 4 % price rise proposed by the Community appears — quite rightly — unacceptable to the ACP countries, whose costs — transport in particular — are rising much more quickly. But this means — I insist — that we must make more effective use of the guiding instrument represented by quotas, in particular to bring the volumes of A and B quotas closer to our actual consumption volume.

Our third proposal is that we should adhere to the new international agreement on sugar currently being negotiated, which will, of course, in one way or another, put further pressure on us to reduce our production but will also guarantee us a fair reduction in relation to that of other world exporters.

Our last proposal, finally, which is socially the most difficult and which I support despite everything, Mr Sablé, is to encourage structural developments in our ACP partners who can only grow one crop or who are practically dependent upon a single crop. Technically, this is difficult, because the sugar cane cycle, as we all know, lasts much longer than that of sugar beet. There are also problems at the human level, and it would

certainly take a generation or more to change some of the situations which prevail at the moment — and with the consent of the populations concerned. But we must have the courage to pursue this line of thinking while, at the same time, of course, accepting all the consequences which fall upon us — and there I agree with you — namely the free entry into the Community of new substitute agricultural or industrial products.

Mr President, ladies and gentlemen, the route to which I have pointed will certainly conflict with a number of habits and received ideas but, above all, it will probably clash most with a number of interests. The Socialist Group, however, sees no other solution and is happy to note that the motion for a resolution in your report, Mr Sablé, for the main part echoes our views. Let us all beware that in the theme we are discussing today the main threat hanging over us is stagnation which, in the long run is bound to entail disruptive and painful corrections.

(Applause)

Mr Deschamps (PPE). — *(FR)* Mr President, ladies and gentlemen, the report drawn up by our colleague Mr Sablé deals with a subject which is highly delicate because of its political overtones and of great technical complexity. The fact that he has succeeded, therefore, in presenting on this theme a motion for a resolution that was unanimously approved by the Committee on Development is proof of the quality of his work and the persuasive nature of the conclusions he was able to draw. It is therefore quite natural that I should begin my speech on behalf of the PPE Group by congratulating him, all the more so, since his words to us today have shown us that he was able to take into account a number of suggestions made to him during the Committee's discussions.

I should therefore like to express my wish that the European Parliament should follow its Committee as closely as it can and adopt — without changing the political content — the draft motion for a resolution such as it has been presented to us. Just as the rapporteur did, I should like to draw your attention to the fact that we are dealing here with a political aspect which is absolutely basic for the Community. It is not just the question of EEC-ACP relations that is at stake, even though this sector is vital for our partners, but also the credibility of the Community itself and all its policies, including its agricultural policy.

As the motion for a resolution states, the point is that we must reassert the Community's will to continue honouring its commitments under the terms of the sugar protocol. We believe that any questioning today of the signatures given in 1975 and 1981 would do serious harm to the entire Community and above all to its position in the eyes of its partners in any future negotiations. We must indeed, ladies and gentlemen,

Deschamps

prepare ourselves for future negotiations on sugar, because whatever the qualities of the present protocol, maintaining its provisions will not alone solve all the problems, just as Mr Sablé has said.

What we must in fact do is to reinstate the report in its rightful place which means, on the one hand, a historical commitment — to which our ACP partners attach the greatest importance and which we owe it to them to respect — and, on the other hand, a future in which new elements, to which we must all be attentive, will have to be borne in mind. For this reason, I beg Members not to get carried away with quarrelling and adopting hasty and radical positions over this report here and now. That is why I am also asking everyone to pay close attention to the last paragraph in the motion for a resolution where we advocate the idea of a joint study by the Committees on Agriculture and Development of all the new aspects which are being introduced into the sugar sector by new techniques and products. Only in this way can we appreciate the consequences both for our Community policy and for our relations with ACP countries.

But the first thing that we must do is to tackle the problem being raised here and now by the Community's sugar policy. From the existence of the protocol, which must be maintained — I repeat — as an integral part of our collaboration policy towards ACP countries, and whose existence gives rise — as pointed out — to both a volume of guaranteed deliveries of sugar originating in ACP countries and a system of defining prices for such volumes by linking them closely to Community prices, from all these facts, the rapporteur has drawn conclusions which are inevitable, both within the Community and worldwide.

With regard to the sugar regime inside the Community, the rapporteur pointed out that a system of regulation by prices alone would lead only to their being lowered, resulting in a drop in the prices guaranteed for ACP sugar. This point was stressed by several speakers. But since our ACP partners already consider these prices not remunerative, a system of this type would only succeed in depriving the ACP protocol of all meaning. This can be tolerated neither by the ACP States nor by ourselves. The report advocates a ceiling of sugar beet production at guaranteed prices which are remunerative both for EEC production and for the ACP, since the prices are linked to a simultaneous reabsorption of Community sugar beet surpluses.

As far as the world market is concerned, the rapporteur advocates our participating, with other major producers, in a new international agreement on sugar which will be the subject of joint negotiations. I agree with what Mr Fuchs has just said about this.

With respect to the ACP States, finally, the rapporteur proposes that we should support the efforts that they are making to enhance their own sugar production by the better use of subproducts and by increases in

productivity, but also to diversify their economies outside the sugar sector. I should like the rapporteur to lay even greater stress on this point.

These suggestions appear useful and reasonable to us as things stand at the present and that is why we approve of them. Nevertheless, I should not like us to lose sight of the fact that, with the present system, the sugar within the EEC itself bears the brunt of all export refunds. A system like that advocated by the rapporteur would therefore no doubt have to be accompanied by reflection on this self-financing aspect and on the possibility of the taking up of responsibility by the Community, just as happens in other sectors. But this is a tricky subject which requires much thought and cooperation and thus I come to the last paragraph of the motion for a resolution. It became more and more clear to all of us during our research that we could not stop at the terms of the present report on sugar, whatever its merits. In the longer term, and in the medium term, progress in biotechnology and biochemistry is bound to continue giving birth — as in the past — to substitution products and to new techniques, which will affect sugar beet as much as sugar cane. It is therefore high time that the Community become aware of these developments and of their consequences for both the EEC and for the ACP States. Europe must not — yet again — allow itself to be overtaken by events in a sector in which it occupies a predominant place. For these reasons we hope that Parliament will support the whole of this report and above all will give its attention to the paragraph which aims at drawing up a joint report by the Committees on Development and Agriculture on the long-term sugar policy.

Mr Turner (ED). — Mr President, I am delighted with what Mr Deschamps and Mr Fuchs have said. It is even possible that under the leadership and steerage of Mr Sablé we shall actually bury the hatchet of the feud between cane and beet sugar — I am glad he was able to bring poetry into the battle. Let us hope that it is indeed the end of the battle.

Now I have only got time to mention a few points and cardinal facts. The first one is this: the EEC sugar surplus sold on the world market has been a disaster for the ACP producers because they have lost their prices outside the EEC. We must realize that the sugar we sell outside the EEC is not serving a great need in the world for food, it is merely disrupting the market.

The second point is that we must have a fair price for the producers of cane and beet for the sugar that is needed. I say a fair price and I mean both for cane-sugar producers and beet-sugar producers. It may well be that very often that price will be much the same — and my own inclination is that it should be much the same most of the time — but they are both entitled to a fair price.

Turner

The cane-sugar producers are entitled to a fair price for their 1.3 million and the beet-sugar farmers of Europe are entitled to a fair price for the sugar we need to consume in Europe itself.

My third point is that we must discourage overproduction and, of course, the only way to do it is with a lower price on sugar that we do not want — that is on surplus sugar. But it should be a lower price only on the surplus sugar.

Therefore, my fourth point is that you cannot have a single price policy because if you get production right in that way you will destroy the producers of a sugar we need. The sugar we need must be produced at a price which is economic for those who produce it.

Therefore, my conclusion is that the present system we have in the EEC, which involves both quotas and price differentials, is essentially right but that what has gone wrong is not that we have the wrong system but that we have applied it in the wrong way; we have got our figures wrong so far as pricing and quotas are concerned.

Now I am very glad indeed that in the European Parliament, because of this report produced by Mr Sablé and all the consultations which have taken place between the interests in the EEC and in the ACP in the corridors of this Parliament, we might for the first time arrive at a real strong majority view within the ACP and the EEC. I think that is what we have in the report which Mr Sablé now presents tonight and in what we have heard from Mr Deschamps and Mr Fuchs and that is the most remarkable thing. I could not have hoped it would happen even a week ago. Now my only hope is that tomorrow morning at 9 o'clock we will vote for the Sablé report as it stands and thus end once and for all the feud between cane and beet sugar.

(Applause)

Mr Vergès (COM). — *(FR)* Mr President, the report by our colleague Mr Sablé on the medium and long term problems of the Community sugar policy and its effects on the existence of the ACP-EEC sugar protocol, broaches a particular but important aspect of the question of relations between industrialized and developing countries. The former are generally producers of sugar beet while the latter mainly of sugar cane.

The problem, which has been very clearly set out in the report, reveals the uncertainties which threaten all products in developing countries and the risks to which they are subject. One of the most fervent wishes of the report by the Committee on Development is that the Community should join the International Sugar Agreement. A positive outcome to the present negotiations for its renewal, with the accession of the EEC would — we trust — be a positive element, permitting this institution, finally, to be effective worldwide.

As far as the ACP-EEC sugar protocol is concerned, the report stresses that, if the next Community sugar regulation in 1986 — in three years — were to adopt a regulatory system of production based on a single lower price and with the suppression of quotas, this would be a great threat. It would threaten both the ACP countries and also the overseas departments of the Antilles and Réunion, the only European Community countries which are cane sugar producers, but whose production nevertheless equals that of Greece.

It appears that the Commission's aim, which is to create a ceiling for sugar production in the Community, could be reached by alterations to the A and B quotas, while at the same time guaranteeing ACP sugar producers a decent income. That is the crucial importance of paragraph 16 of the motion for a resolution. But it is also necessary for the ACP-EEC sugar protocol to be applied strictly, i.e. this means that every year the price of ACP sugar must be fixed, after negotiations which take all the economic factors into account.

That is precisely why the present situation is so serious: negotiations having been broken off, and given the wide gap between the EEC offers and the ACP countries' proposals for the 1983 sugar year, European refiners are willing, in the absence of an agreement, to pay only the 1982 price. In this way, we are faced with a problem which is no longer medium-term, but immediate, and once again we find ourselves in a very serious situation.

While the report rightfully advocates the faithful and strict application of the sugar protocol and honestly exposes the uncertainties and dangers in the very near future for the protocol itself and for the very fate of the ACP sugar-producing countries, we are nevertheless entitled to ask how is it possible to maintain these economies? They are often single-crop economies, fashioned by centuries of specialization dictated by the needs of city populations and today threatened by the very fact of this specialization. How can farmers give up this single crop, in order to avoid the stranglehold it has on them, when agricultural knowhow is more advanced in this sector than in any other and has been raised to an international level and when there are no contractual guarantees like those in the sugar protocol in other sectors?

Finally, there is an urgent need to realise what the greater use of isoglucose as a substitute for sugar means to the sugar market in general. This means that, while long-term solutions to the sugar problem still have to be found — and quickly — they will assume considerable importance and take on an exemplary character for all other ACP productions. The problem is thus totally political. Since the report emphasizes this and shows all its implications, it constitutes a step forward, for us. In several places it

Vergès

has taken up proposals that were too hastily discarded by this House or by one or another committee not so long ago. For that reason alone, the report deserves the almost unanimous approval of the Committee on Development and will no doubt win the approval of this entire Assembly.

(Applause)

Mr Louwes (L). — *(NL)* Mr President, I should like on behalf of my Group, the Liberal Group, to make a few remarks concerning the report by Mr Sablé. Before doing so, however, I must inform you that I am a farmer, I grow sugar beet and am on the board of a sugar refining cooperative, but that I have no direct vested interests from the financial point of view in connection with the policy we are discussing here today.

A second point I would like to make by way of introduction, is to congratulate Mr Sablé on his excellent report. I can tell you quite honestly that I have been working in the European sugar industry for over 30 years on and off and I have rarely seen such a complete account of European sugar policy over the last 10 years as the one contained in this report. Our congratulations, therefore. My Group's position is as follows. We approach the problem on the basis of mutual respect. For our part — i.e. a portion of my group and all of the sector I am representing — we respect the Lomé Sugar Protocol, and indeed the entire Lomé Agreement. As far as we are concerned, i.e. the beet producers and the sugar industry, this protocol has not been called into question.

This is how I see it and this is how I would present the situation. On the other hand, we obviously expect our colleagues in the ACP countries to take the same attitude and this is quite possible since, whether we produce beet or cane, we have the same interests, exactly the same interests in one and the same Community, i.e. to get a reasonable return on the raw material we supply to the industry. I would not have thought there was any source of conflict there and I would therefore like to dissociate myself from the remarks which have been made again here this evening by certain persons who use the Community sugar policy as a scapegoat and hold it totally responsible for the entire situation on the world sugar market. I should like, on behalf of my Group, to dissociate myself from this attitude. The problems can only be solved by means of consultation.

The same is true as regards the problems which were raised many years ago and have been raised once more this year in connection with the accession of our Community to the International Sugar Agreement. Here too, I would have thought, we had common interests since we all set store by a free world market with reasonable prices for the producers. We share the rapporteur's concern as regards isoglucose.

In both the report and Mr Sablé's explanatory note I detect a certain concern on the question of refining. I can assure the rapporteur that if the one firm he mentioned is no longer interested in refining and intends to call a halt to it, all the major sugar undertakings will easily — if they get together of course — be able to refine the amounts of sugar coming from the ACP countries. However, I, like Mr Sablé, would prefer it if we could establish technical cooperation so that the refining could be done on the spot — which is perfectly feasible from the technical point of view, and this is something we can discuss. We also feel that distribution should take place on the spot or in the region without the product having first to be shipped to Europe and back and without this affecting in any way the guarantees we have provided under the sugar protocol.

Mr Pisani, Member of the Commission. — *(FR)* The Commission regards the initiative taken by Parliament as extremely positive and feels that the report presented by Mr Sablé is a positive element in the painstaking, but inevitable search we have to undertake to solve the sugar problem. Thus, I and the other Members of the Commission hope that the report will be adopted, even though number of points made during this debate need to be taken into consideration also.

I should like to point out that, as the Commissioner for Development, there is no question of my contesting the existence of the sugar protocol, even if I have sometimes questioned it. The protocol is an essential element in our relations with ACP countries and if, as a political element, it is attacked, insoluble problems would be raised. Quite simply, the problem is to find out how we can initiate developments while at the same time taking due account of present realities.

Before embarking on an analysis which I would like to offer for your reflection, I should like to point out that we have committed ourselves to a new phase in our relations with the international sugar agreement, that the Community has participated actively since the beginning of the year and that, when negotiations resume immediately after the summer, the Commission intends to continue playing its highly positive role for everybody's benefit.

I should also like to say that a number of suggestions put forward by Mr Sablé are claiming our attention and at some point or other we are going to be persuaded to take them into account. But the purpose of my speech this evening is to present you with a number of elements which stress the difficulty of the problem rather than contributing, perhaps, to its immediate solution. What I mean is, having presented — as I did just now — the Sablé report as a phase in developments and as part of the search for a solution, I should like to contribute to this search, but this does not mean that given the very short time, we will not try to achieve more precise answers.

Pisani

The first question is, what comparison can we make between the world price and Community price in an average period? If we take an average from past years, the Community price was, on average, 60 to 70 % higher than the world price every year. That means that, on average, ACP sugar was guaranteed disposal of 1 300 000 tonnes and benefited from an excess value of between 60 and 70 %. Secondly, the advantage drawn by the ACP countries from these high prices — and they did take advantage of them, as I have just said — had the negative effect of tending to make them increase their production. It must be quite clear that the attempts made to guarantee a higher income to European producers, which resulted in a high income for the ACP producers, also had the effect of increasing European production.

Since 1981, however, European production has fallen. It just so happens that this fall in European production accompanies efforts made by the Community to cut European prices. The drop has been quite substantial, since we can more or less say that the quantities produced and the sown areas have been around 10 % down on previous years. But this is where logic goes against the ACP countries, because if we drop prices to discourage production and thus to cancel out the indirect effect of European production on the world market, we are obliged to drop European prices, and since the prices guaranteed the ACP are tagged to European prices, we end up with the direct result of a drop in the prices guaranteed to ACP producers.

Thus, the direct and indirect causes are playing against each other and we cannot hope to benefit from both attitudes. The idea of lowering prices for European producers in order to discourage production and not lowering prices for the ACP producers is quite unthinkable. It is quite unthinkable and I propose to explain why. Indeed, if the prices guaranteed to ACP producers were higher than those guaranteed to European producers, ACP products would not be bought by the European market, they would have to go to intervention, and going to intervention, they would be such a burden to the Community that the whole protocol would be threatened.

I have to insist on these arguments because, unfortunately, they are the framework within which we have to work and which we must take into account when solving the problem. But I should like to go a bit further even. Let us imagine that we say that we are going to maintain the A and B quotas and reduce them to the level of consumption, in order not to compete with ACP producers on the world market. In accordance with the Treaty of Rome, we would be obliged to increase substantially the prices of quota A in order to guarantee to producers an income that they would no longer enjoy from quota B, but that would not lead to an outlawing of sugar beet plantation for the production of the B quota and we would run the risk of having to arbitrate between higher A

prices for the reasons I have just given and lower B quota prices. The result would be the same, i.e. there would be surpluses, because the only way of avoiding surpluses would be to forbid producers to plant sugar beet. I hope you will excuse my somewhat chaotic reasoning, but that is the reality in which we are living.

My last idea is that we could completely free the market of sugar beet and leave this product without any regulation, guaranteed prices or intervention prices. Then there would no longer be any sugar protocol because the sugar protocol is defined in its relation to a guaranteed price.

In other words, ladies and gentlemen, if we question the existence of the sugar protocol, I think that we must try to imagine a totally different system and I do not think that we are present ready to imagine and set up such a thing.

My conclusion is certainly not that we must not carry on thinking and delving more deeply into this problem in order to find an answer to it. I am by no means hostile to the idea of our envisaging free access to our markets for products resulting from the diversification of products, which will have been brought into existence by the accompanying measures advocated by Mr Sablé. I mean that we should encourage attempts at such reconversion and diversification. But I think that we must continue to pursue our reflections hoping that, within two to three years from now, we will be able to solve the problem with new techniques. But as for today, I must in all honesty say that I do not see any other solution than that offered by the sugar agreement.

I do hope, ladies and gentlemen, that you will forgive me for not supplying the answers to all the questions preoccupying this Parliament. This report is an initiative and a phase in our reflections. It is of high quality, has been extremely useful, and this discussion has also contributed a number of elements. On behalf of the Commission, I undertake to follow its recommendations, even though I cannot promise right now that I will one day draw out of a hat a solution which will satisfy both the ACP countries, the European sugar beet producers and the Community budget.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

9. ACP-EEC cultural cooperation

President. — The next item is the report (Doc. 1-453/83) by Mr Narducci, on behalf of the Committee on Development and Cooperation, on cultural cooperation between the ACP States and the EEC.

Mr Narducci (PPE), rapporteur. — (IT) Mr President, ladies and gentlemen one might be tempted to think that this report on cultural cooperation between the ACP States and the EEC has neither a past nor a future and that it is merely one of the diversions devised by chancelleries and embassies when they fail to conclude more substantial economic and political agreements and want to lend a little cultural veneer to their lack of ideas and their impotence, so as to be able to present an official communication and to promote an artificial sense of optimism.

In reality this motion for a resolution has at least a past — a past which resides in the awareness of errors committed in carrying out development policy and many of which have been mentioned today; this awareness is expressed both in the ACP/EEC parliamentary bodies, in the proposals of the executive Commission as contained in the Pisani memorandum and in the work which this Parliament will have concluded in September with its proposals for the Lomé III Convention; it is the fruit of intensive cooperation whose results the Committee on Development and Cooperation has already examined and which Parliament, I believe, will be able to enlarge on to the satisfaction of all.

Today we are all convinced that neither transfers of finance — even on a massive scale — nor indiscriminate transfers of technology or food aid in abundance can guarantee the development of the ACP States and in particular the less advanced ones. We — Parliament and Commission together have opted for the strategies of foodstuffs self-sufficiency and integrated agricultural development and we want to ensure that projects will no longer rain down from above. On the contrary, we are pressing for forms of self-development which can mobilize and utilize all the locally available human resources while fully respecting and estimating each people's identity and distinguishing socio-cultural features.

All this may seem obvious but is genuinely novel when compared with what we have known in the past: it entails a fundamentally different classification of projects and requires evaluation criteria which differ considerably to those used even recently. It is mainly the objectives and methods which are changing in line with the change in perspective. The point of departure is human and cultural wealth and this is something which although it cannot be quantified in economic and commercial terms, is essential for the success of each project. The ideal is represented by self sufficient countries which are not permanently dependent on assistance in forms which are expensive to us and humiliating and debasing for the beneficiaries.

Can the term 'culture' help us to move in this direction? Can awareness of this relatively new concept provide a promising perspective for our work with our

ACP partners? We need only think of such topics as education, training, genuine respect for the environment, suitable indigenous technologies, the protection of students and migrant workers, the reestablishment of balance in the flow of communication, to understand that we are not dealing with an abstract issue but with problems which may have a decisive impact both in the economic sphere which is so dear to many of us and in human and moral terms which are relevant to us all, far more so than ever before.

Thus this project for cultural cooperation is not without a future: farsightedly the Commission has already incorporated some of its features in its day to day work; most of the others will have to be included in the next Lomé Convention, as is the intention of Commissioner Pisani and as most of our ACP partners have requested; above we believe in the equal dignity of cultures and of the value of dialogue between cultures in the construction of peace and in bridging the abyss which still divides North and South.

Everywhere the European countries have to do with Allies and non-Allies concerning problems of all kinds. But the hegemonies which we are struggling with — economic, political or military as the case may be — are based precisely on the dangerous conviction that hegemonic cultures exist which must reign supreme at all costs. By ensuring closer links with the ACP countries in the field of dialogue between the cultures, respect for cultural idiosyncrasies and cultural identities in a mutually rewarding exchange of views, we will also reinforce our internal cohesion and rediscover our authentic vocation as Europeans.

We are all aware of the difficulties which the Genschler-Colombo proposal for cultural cooperation ran up against in Stuttgart. Indeed it is not without significance that this Parliament, which represents the peoples and not the States, has succeeded in taking a clear stand on this topic precisely at this critical time.

(Applause)

Mrs Focke (S). — (DE) Mr President, ladies and gentlemen, I welcome Mr Narducci's report and motion for a resolution and should like to make it clear right away on behalf of the Socialist Group that it has our full support.

A number of subjects are increasingly being dealt with at two levels, i.e. at the level of cooperation between the ACP countries and the European Community in the Consultative Assembly, in the Joint Committee and in the European Parliament. Mr Narducci's report is an excellent example of an attempt to link these two levels and I should like to remind you in this connection that the real breakthrough as regards the inclusion of the cultural dimension in our cooperation under the Lomé Convention can be traced back to the ambassador in Mauritius, Mr Chasle, whom we have

Focke

the honour of welcoming to our visitors' gallery here this evening. He has pointed out that, after many years of primarily economic cooperation, we are running the risk of missing the entire point of this cooperation unless in future we include this cultural dimension in a very different way than in the past, as has become very apparent over the years from points made by the European Court of Auditors among others, or certain assessment reports by the Commission.

It has become very clear that everything from education and training, the whole question of technology — i.e. which technologies are to be used, in other words the question of socio-cultural criteria for work — to the clear recognition of these needs when financing is concerned — are of absolutely decisive significance for the success of cooperation, which must aim more in future at contributing towards independent development as our partners have made very clear to us in recent years.

I very much welcome the fact that Mr Narducci has, in this report, given his support to the appeals which Mr Chasle has repeatedly made in his reports and which are contained in ACP-EEC resolutions, to the effect that the various institutions and bodies involved — both those of the ACP countries and those of the European Community — should be much quicker and emphatic about getting down to this new aspect of our cooperation. This is particularly important on the eve of the negotiations on the follow-up Lomé Convention whereby we must assume that we can only bring about the type of cooperation we envisage if we finally manage to draw the appropriate conclusions which, for the rest, have plenty of chances of being put into practice with the implementation of Lomé II.

Mrs Cassanmagnago Cerretti (PPE). — *(IT)* Mr President, ladies and gentlemen, those who have made a critical study of the relations between North and South have mainly analysed the level of colonialism, imperialism and exploitation. In reality there exists a deeper level which inevitably has dramatized the cultural links between the two parts of the world — both during the classical colonial period and during the period of decolonialization — and that is the radical differences between their cultures. The North is involved in a process of development whereas the South has remained bound to its traditions.

The pace of change in recent times has led to unbearable strains for traditional ways of life. Accordingly we must work out a development policy which takes past experience and errors into account; Community policy should be geared to encourage the political, economic and cultural independence of the developing countries, it should avoid protectionism and should support initiatives on the part of individuals,

the family community, villages, etc. In cooperation with the ACP partners the Lomé Convention should make it clear that the new projects must help the developing countries to achieve their own cultural identity, to find their own path and to advance along it.

Thus we are discussing the co-responsibility of the European Community as regards the social and cultural consequences of development projects which are being created, developed and financed in the context of the Lomé Convention. In the Chasle report the ACP-EEC Assembly and the European Parliament have stated the problem, underlining the fact that education is the basis for all development and that cultural cooperation must contribute first and foremost to encouraging the self-awareness of the ACP States in so far as their cultural identity is concerned.

Balance between tradition and modernity is a difficult objective for the developing countries to achieve. It is difficult, but not impossible. Accordingly the programmes to support training and information to be implemented in the context of the Lomé Convention are important instruments which make it possible to draw on indigenous technologies and to choose from and adapt the technologies of the industrialized countries, ensuring their harmonious integration in the socio-cultural framework of the ACP countries. Thus, as regards the projects to be implemented, it is important to give training the attention it deserves and above all to ensure that sufficient appropriations are earmarked for it; as regards information, it is well-known that, since there is a serious imbalance of communication and information structures between North and South, the European Community must endeavour to promote means of communication in the developing countries, in particular by developing the most efficient possible infrastructures in the field of electronic mass media.

Up to now the Lomé Convention has mainly concentrated on the economic field. The fact that cultural cooperation is now being discussed by the ACP and EEC countries represents a major step forward, a turning away from the idea of forced and repressive modernization for the developing countries; it means that the European partners are now ready to provide aid for the cultural self-development of each ACP State. Above all we have eventually realized that only active cultural cooperation can encourage the coordination which is essential for cooperative endeavours and ensure that they are integrated in the overall planning and development process.

I too would like to thank the President of the ACP Commission, Mr Chasle, who is present here today. The fact that he has come to listen to the discussion on our report means that we are being heard and that cooperation between ACP countries and Europe is a reality.

(Applause)

Mr Turner (ED). — Mr President, I am only sorry that two of the ladies who spoke before me had both noticed that Mr Chasle was listening to this debate because I knew he was and I hoped to be the first person to tell you. Of course, he is very concerned not only about this but also about the previous debate on sugar.

I must say that the small working party of which he is the rapporteur and of which Mr Narducci, the rapporteur, is also a member — I just happen to be the chairman — this is the working party on culture of the Joint Assembly of this Parliament and the ACP — has, I believe, done extremely good work in getting a proposal for the Commission on what should go into Lomé III on culture. The Commission has sat in and listened to all our debates, but they have been in purdah now for some two months, because they say they are negotiating and cannot therefore comment. However, this small working party has been a very useful clearing house for views between the ACP and the EEC. I think we work very well and, in fact, on Monday and Tuesday we shall conclude our report.

We are primarily concerned with students from the ACP in the EEC, in increasing their numbers, looking after their welfare and ensuring a reverse flow, in the balance of research and education centres between the EEC and the ACP, in agricultural and industrial policies — one must include a cultural judgement on any economy policy brought forward nowadays — and particularly in rural development and the overcrowding of towns due to migrations from rural areas. News media and information are a very difficult subject which we have also dealt with. Then there are museums and access to works of art — the rather more emotive question of the Elgin marbles has not arisen directly, I am glad to say — the Commission is in purdah, we are not in purdah — and, finally tourism.

Madam President — I am very glad we now have an occupant of the Chair who is keenly concerned with cultural matters in the ACP — I do believe that this small working party and Mr Narducci's report are going to make Lomé III completely different from what we have had in the past. It has been based upon a ground-swell of opinion that it was not enough merely to use the economics of the relations between the ACP and the EEC, but one must also deal with the cultural and social aspects.

There is only one thing I wished to say about Mr Narducci's report, which is that I hope he will adopt an amendment to paragraph 13 referring to a highly-qualified expert working party, which has been discussed a great deal in the ACP-EEC Joint Assembly over the last couple of years. About two weeks ago, we discussed this in our joint working party with Mr Bersani, the President of the Joint Assembly, and came to the conclusion that the EEC-ACP Joint Assembly and the European Parlia-

ment must be the monitors of the implementation of cultural matters under Lomé III. We cannot hand this responsibility over to an expert working party, but we should have such a group on which we could call for expert advice.

I hope, therefore, that Parliament tomorrow morning will decide to accept the amendment which I have put down, which, I think, reflects the view of the working party. I think Mr Narducci agrees with me on this. It is Amendment No 1 to the Narducci report, which would put in an alternative form of words for paragraph 13 to that which originally appeared.

Madam President, may I say that I am extremely pleased that we have an example here of the ACP and EEC working together. I hope we shall — through the back door, because I cannot do it through the front door at the moment — impress upon the Commission representatives the importance of including culture in the way which Mr Chasle has suggested in his report and Mr Narducci in his, in Lomé III.

(Applause)

IN THE CHAIR: MRS CASSANMAGNAGO CERRETTI

Vice-President

Mr Pisani, Member of the Commission. — (FR) Madam President, I should like to have been given time to deal in greater depth with certain aspects of this report with which the Commission is in full agreement and which it considers has appeared at a very opportune moment.

Like Mrs Focke, I should like to indicate the thinking behind the drawing up of this report, from Mr Chasle's initiative within the ACP-EEC bodies to the debate in the European Parliament, thus putting into perspective the rôle of the Community institutions in future negotiations.

I should like to state that the evolution of events is all the more important in that we shall have to fight to have the cultural dimension taken into account, and that this fight will be difficult. It will be necessary for Parliament to take all possible steps if we wish to achieve positive results. I should like to make just one comment.

One must distinguish between two very different aspects of the problem. One is the cultural dimension of development, and the second is cultural cooperation between the ACP States and the EEC.

Concerning the first point, I should like to make it clear that the cultural dimension of development is in fact the true definition of development; it means that development is not only an increase in wealth and a multiplication of infrastructures, but also the increasing ability of the nations themselves to control their own destiny according to their own national ethos.

Pisani

And so I believe quite honestly that, instead of having a particular instrument in the future Convention, everything in the Convention should tend towards the same aim. It would be absurd and dangerous to consider that we should continue as before, but add a cultural dimension just for the look of the thing. Everything must aim towards self-development in the way which I have just outlined. I believe that we must make this effort throughout and that none of the actions with which we are associated should be entirely lacking in this effort.

And then there is the second aspect: the contribution which the European Economic Community can make, within the framework of the Convention, to any particular aspect which could be called cultural activity and which merits clearly-defined specific actions. For that, a particular instrument will no doubt be necessary. It is an open question, open in a positive sense. I believe that the negotiations will enable us to get things quite clear on this point.

But in conclusion, I should like to say — and I do not want to delay the end of this debate, Madam President — how greatly we have appreciated this report and express the hope that, in future, Parliament will support the ideas which it contains so that we can help them to be successfully implemented in negotiations which, in themselves, will be very difficult.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

10. *Financial Regulation of 21. 12. 1977*

President. — The next item is the report (Doc. 1-434/83) by Mr Simonnet, on behalf of the Committee on Budgets, on the

proposal from the Commission to the Council (Doc. 1-850/80 — COM(80) 760 final) for a regulation amending the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.

Mr Simonnet (PPE), rapporteur. — (FR) Madam President, Mr Tugendhat, ladies and gentlemen, the revision of the Financial Regulation is not a complicated, obscure, technical question which can only be understood by a few specialists. It is an eminently political question, which may be discussed very simply in a way that is easily understood by everybody. This political aspect of the revision of the Financial Regulation is evident in the two groups of problems which the revision is trying to solve; the first group is that the Financial Regulation tries to share the budgetary power out fairly among the Community institutions, and the second group of problems is that the Financial Regulation tries to reconcile the sometimes contradictory demands of control and action.

Firstly, the Financial Regulation has to achieve a fair share-out of the budgetary power between the Community institutions. The draft which we are discussing makes a few changes in the way budgetary powers are shared out at present. Firstly, this is the case with the carrying-over of appropriations. You know the traditional distinction between what we call differentiated appropriations and non-differentiated appropriations, that is to say appropriations entered in chapters which make the distinction between payment appropriations and commitment authorizations — these are differentiated appropriations — and, on the other hand, appropriations entered in chapters which do not make this distinction, these being non-differentiated appropriations. The differentiated appropriations would be automatically carried over. The budgetary authority would not have to intervene any further, the carry-over would be automatic. Most of the non-differentiated appropriations could be carried over, but a ruling from the budgetary authority would be necessary. A decision taken by which branch of the budgetary authority? We here propose a new share-out of budgetary power. Whereas it has up till now been the Council alone which decided all carry-overs in the last resort, we propose that henceforward, while the Council should retain the last word when it is a matter of carrying over compulsory expenditure, it should be Parliament which has the last word concerning non-compulsory expenditure.

The second aspect of the sharing of budgetary power between the Council and Parliament is the question of appropriation estimates. These estimates are fixed by the budget. A legislative act subsequent to the budget can only be indicative and not mandatory.

This legislative act cannot be in contradiction to the budget. This would be the case if, for example, a legislative act were to reduce the appropriations or the number of jobs created by the budget. In short, only the budget can fix ceilings, legislative acts cannot do so.

The third aspect of the sharing out of budgetary powers is the consequences of Parliament's rejecting the budget. In this case, the Council should not sit back and do nothing. It should hastily ensure that the system of provisional twelfths is not prolonged beyond a period of three months.

The fourth aspect of sharing powers between the Council and the Parliament is that, when the Commission puts forward a preliminary draft supplementary or amending budget, the Council should be obliged to present a draft to the Parliament, which has not always been the case in the past.

After these four examples of sharing the budgetary power between the two branches of the budgetary authority, let us now examine a few examples of sharing this same power between the budgetary

Simonnet

authority and other parties involved in the budgetary process. For example, there is the sharing of the budgetary power between the Community and the Member States, in that once the budget has been voted, each State is obliged to pay the sums fixed. It cannot decide to pay only a part of them. There is another case of sharing between the authority and other institutions : up till now, when the Commission, the Court of Justice and the Court of Auditors, needed to make a transfer between the chapters of their operating budget, the intervention of the budgetary authority was necessary. Judging from past experience, it would be better to give these three institutions the power to act on their own. There is another case of sharing budgetary power, this time between the Community institutions and what we call the satellites of the Communities, that is the Community bodies with a legal personality that receive subsidies from the Community. Although these satellites are autonomous, they are not independent. Two things, mainly, result from this : their Financial Regulation should not contain provisions contrary to those of the general Financial Regulation which we are discussing, and the budget of the Communities should contain, as an annex, the list of posts and the statement of expenditure and receipts of each satellite.

That, therefore, is the first aim of the revision of this Financial Regulation : to implement a fair sharing-out of the budgetary power between the institutions.

The second aim is to reconcile the sometimes contradictory demands of control and action. The Commission of the Communities is charged with the action, that is to say the implementation of the budget : but this action, if it is not to be undemocratic, must be controlled and, naturally, there is tension here, as there is everywhere else, between the requirements of action and the requirements of control. Those who are responsible for the action would like the greatest possible flexibility in the texts, and those responsible for control would like them to be as strict as possible.

We have tried to reconcile the draft of the Committee on Budgets, which was consulted on the substance, and the position of the Committee on Budgetary Control, which was consulted for its opinion, and you will see, in the discussion on the amendments, that with one exception — the matter of chapters which overlap — we have reached agreement on all the important points, we have reconciled the views of the two committees, and hence the requirements of control and the requirements of action.

I should like to quote to you just a few examples. For example, we have just discussed the fact that the current Regulation governs only one form of external aid, namely food aid. We propose that from now on the Financial Regulation should govern all forms of external aid, that is all cooperation in development. Another example is that the current Financial Regula-

tion does not provide for entering loans and borrowings in the budget. We propose that henceforth it should include them. Another example is that the current regulation provides that, on the appropriations of the EAGGF 'Guarantee', the Commission approves advances to each Member State which, up till now, were provisional global commitments. We propose to you that from now on these should be detailed provisional commitments.

Those were a few cases where we have tightened control, in some measure, but there are also a few examples which I am going to give you now where we have done the opposite and shown flexibility.

For example, the Commission of the European Communities would be authorized to make transfers on its own authority from Chapter 100 — i.e. the chapter for provisional appropriations — to a chapter of the ordinary budget when the prior condition which gave rise to the entry in Chapter 100 is met during the course of the year. Another example is that, on the initiative of the Chairman of our Committee, Mr Lange, a generously funded general reserve should be created, from which funds could easily be drawn during the course of the year to top up chapters which were insufficiently funded, which would avoid recourse to the procedure, which is always long and cumbersome, of amending budgets.

Those are the few changes in substance which we put to you. There are also, of course, a few changes in form, for instance when articles have fallen into abeyance, we have deleted them. For example, we were able under the research title to reduce the nine articles to four whilst maintaining the essentials, that is analytical accounting. To give another example, we propose to reserve the word 'appropriation' for payments and to use the term 'authorization' for commitments. Or again, we propose to make a clear distinction between supplementary budgets, which include new revenue, and budgets which are simply amending and which only include transfers of appropriations.

Finally, we are devoting two articles to each of the two activities of the Court of Auditors which the Treaty set out in two completely separate paragraphs : the annual report on the one hand, and the comments and opinions on the other, and we hope that the terms of each article are not contradictory.

That, very briefly, is the draft which we submit for your approval. The procedure for revising the Financial Regulation has not yet been completed. The Commission must — as is our earnest hope — accept our proposals and then, if it wishes to deviate from them, the Council must open a procedure for conciliation, and finally adopt the new Financial Regulation.

I am willing to provide all those who may take part in the debate with any detailed explanations which they

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may require, since I am very well aware that my report was brief, but I believe that the draft which we are putting to you has been studied seriously and at great length by our Committee and that it ought to have a beneficial effect on the working of the Communities.

(Applause)

Mr Gouthier (COM), *draftsman of the opinion of the Committee on Budgetary Control*. — (IT) Mr President, Mr Commissioner, ladies and gentlemen, in formulating its demands the Committee on Budgetary Control had to consider two requirements: the need for the Commission to intervene with the greatest possible speed — and, accordingly, the need for flexibility in respect of procedures as well — while at the same time ensuring that such speedy intervention does not lead to a reduction in Parliament's real powers of control (and we know how important Parliament's power of control is).

In this search for balance we are obviously in agreement with the Court of Auditors on the fundamental points. After studying the matter at length together with the Committee on Budgets, agreement was reached on the three following points. The first concerns a number of problems relating to transfers; the second concerns the deadlines for advances in the EAGGF supplementary period and the deadlines connected with the discharge procedure; the third point concerns the role of the Court of Auditors in the discharge procedure itself.

As regards the policy on transfers and control of transfers we immediately agreed with the Committee on Budgets to exclude the possibility of transfers in the provisional twelfth arrangement. Then, during the last meeting we also agreed with the Committee on Budgets to allow for the possibility of carry-over of transfers as otherwise the excessive control exercised by the Parliament might in fact lead to a reduction in the competence and powers of the Parliament itself. We are opposed to the solution envisaged concerning payments in respect of dissociated appropriations and we also are opposed to the control proposed by the Committee on Budgets, which echoes the control system in the budget of the Federal Republic of Germany, in which transfers are possible from one chapter to another provided that the budgetary authority has laid down this 'wechselseitige Deckungsfähigkeit', *a priori* so to speak, at the beginning of the budgetary procedure. We agree that this may be a fascinating idea but believe that it is difficult to translate it into terms of budgetary control and budgetary procedure at Community level, as the system is already quite complicated — in particular given the potential and permanent conflicts between the two branches of the budgetary authority as regards compulsory and non-compulsory expenditure. In addition to defining these categories we would also have to define which chapters are interchangeable.

The second point concerns the EAGGF. The Committee on Budgetary Control and the Parliament itself have always highlighted the need to speed up the procedures and thus to bring forward the date of the transitional period. The Commission proposes bringing the deadline forward from 31 March to 28 February. We would agree to this and also we would agree to bringing forward all the deadlines connected with the discharge procedure, but for the fact that the Commission claims that bringing forward the deadline of the transitional period would put the entire procedure at risk. It is precisely this deadline in the entire discharge procedure which would be difficult to define, given that the Commission would be able to revise the amounts within that framework.

Accordingly we cannot agree to bring forward the deadlines if in return the entire discharge procedure is jeopardized. I think that on this point the Committee on Budgets — in fact I am also a member of the Commission of Budgets — agrees that we must give some more thought to this mechanism of deadlines.

The third point concerns the Court of Auditors. I think that the rapporteur for the Committee on Budgets, in his final comments, recognized a point which has always been fundamental for the Committee on Budgetary Control, namely the Court of Auditors 'right to have the last word'. I think that on this point there have been a number of misunderstandings and so we propose that the existing text be retained in the interests of clarity.

These are the three most important political points in respect of which the Committee on Budgetary Control proposes amendments which it considers essential with a view to maintaining and reinforcing Parliament's control.

(Applause)

Mr Tugendhat, *Vice-President of the Commission*. — Madam President, I shall do my best to finish what is quite a long speech in the time available, but the points raised by Mr Simonet in his report are obviously of very considerable importance and need to be dealt with in detail by the Commission. The financial regulation now in force has served the Community reasonably well. None the less, it does contain certain weaknesses. Members will, I know, remember how in recent years problems relating to difficulties of interpretation of the regulation have caused both arms of the budgetary authority to insist that in its revision real efforts be made to iron out these problems. Other weaknesses exist such as those reflecting the fact that development in the scope of the budget now mean that the regulation lags behind reality.

The Commission is therefore pleased that its proposal for revising the regulation, a proposal made in December 1980, is at last now before the House.

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Without in any way underestimating the amount of work that has been involved and which still remains to be done I cannot avoid commenting on the cumbersome nature of Community procedures. It will have taken Parliament over two years to formulate its opinion, counting from the time when the Court of Auditors gave its opinion, which it did five months after the proposal was tabled. Once Parliament's opinion is known the Commission will revise its proposal which will then be examined by the Council in order for that institution to take a 'common position'. This will then be the subject of conciliation with Parliament before the revised regulation may be adopted. Consequently the implementation of the revised regulation is a relatively distant prospect. This is most unfortunate given the critical importance of the regulation not only in connection with the Community budget but in so many other aspects of Community life as well.

Although regretting the length of the procedure I do, none the less, want to express the Commission's sincere thanks to M. Simmonet for the major task he has so conscientiously and expertly accomplished. The subject matter involved technical as well as political aspects, the complexity of which is rarely encountered. The Commission is grateful to him for his hard and professional work. We should also like to thank Mr Lange, chairman of the Committee on Budgets, Mr Aigner, chairman of the Committee on Budgetary Control, as well as Mrs Barbarella who led the working group in its initial task, and who chaired the Committee on Budgets for its first reading. Mr Gauthier also deserves our thanks, as rapporteur for the budget Control Committee.

I would like now, Mr President, to return to the content of the file and to recall that the Commission's proposal involved amendments to 57 articles, in other words to nearly half of the existing 110 articles, and also created 15 new articles. The Court of Auditors in its opinion of May 1981 proposed amendments to 63 articles. Parliament's Committee on Budgets proposed 88 amendments concerning 68 articles. Of these amendments, just over half are essentially of a drafting nature, a further 24 are basically technical, and 16 are in our view of political importance.

In order to make the best use of the time available I intend now, Mr President, to focus my remarks on the main issues and to break these down into categories.

In the first category I put the points where the Committee on Budgets accepts the modifications proposed by the Commission. They involve a diverse range of important issues such as: symmetric arrangements as regards the powers of Parliament and of Council concerning carry-overs; various definitions concerning the operation of provisional twelfths; greater flexibility for transfers: revised presentation of the budget — a revision which on the Commission

initiative has already been substantially introduced in the 1983 budget; new provisions for 'external aids' which set the pattern for the budgetization of the European Development Fund; inclusion of the provisions for the budgetization of borrowing and lending.

The Commission welcomes the support its proposals in these areas have received and it hopes that what the Committee has said will be reflected by Parliament.

In the second category I put the points where the Committee on Budgets breaks new ground. It does so in four important areas which I would like to deal with in turn.

First is the suggestion that the Budget Authority, in the preparation of the budget, draws up a list of chapters where appropriations may be freely transferred by the Commission. This is a constructive suggestion which could simplify procedures and facilitate the implementation of the budget. However, it also contains pitfalls in particular in that its smooth implementation would necessitate agreement between both parts of the Budget Authority on how the relevant chapters were to be defined. Moreover, these problems would be complicated by the different spheres of competence of Parliament and Council over compulsory and non-compulsory expenditure. I mention these so that the House is aware of the potential, but to many people, latent difficulties.

That said, the Commission nonetheless considers that the suggestion of the Committee on Budgets represents progress and is therefore prepared, if this Committee is supported by Parliament, to endeavour to find ways of overcoming the potential difficulties to which I have just referred. One solution might be found based on an adaptation of existing budget nomenclature, which is of course decided by the Budgetary Authority, whereby the Commission would be authorized to make transfers between chapters within a title, where each title related to a specific policy area. The Commission will examine this and other possible solutions.

The second area involving new ground concerns research activity where the Committee on Budgets envisaged a simplification of the current system and which would involve amongst other things analytical accounting. Here the Commission considers, as it did when making its proposal of 1980, that the existing legislation by and large provided an adequate framework for the special needs of research activity. The Commission notes that the Committee on Budgets seeks to maintain the existing mechanisms, a point which was stressed by the rapporteur in the Committee, and also to realize, through a simplification of existing special provisions, improved budget clarity without removing the necessary management flexibility. The Commission agrees that the special features of this part of the budget should be safeguarded. Equally, it agrees that greater budget clarity

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must be assured and that strict discipline must be exercised when management flexibility over the appropriations is involved. With these objectives and constraints in mind, we, when drafting our modified proposal, will endeavour to accommodate to the greatest possible extent Parliament's wishes.

A third area involving new ground concerns EAGGF guarantee and relates to both the clearing of accounts and the granting of advances. As regards the clearing of accounts the Committee on Budgets, following the suggestions of the Court of Auditors, seeks to lay down a timetable within which both the Member States as well as the Commission should act. The Commission agrees that greater discipline is needed and supports the thrust of the Committee on Budgets' suggestions. It would however add that the timetable envisaged is in our view too short and could not in practice be respected. The Commission would therefore want to adjust the timetable so that for both the Commission and the Member States this important and necessarily complex work may take place under sound conditions.

As regards the granting of EAGGF guarantee advances the Commission would advise against the suggestion of the Committee on Budgets. The suggestion involves the replacement of the words 'provisional global commitments' by 'detailed provisional commitments'. This is an apparently minor change but is in fact of major significance. Let me explain. The basic rules for the financing of the common agricultural Policy laid down in Regulation 729/70 make provision for the system of advances. These advances allow funds to be made available to the Member States to enable the intervention agencies to pay those costs flowing from the implementation of Community policy. The payments constitute the discharge of obligations entered into by the Community towards third parties, in other words, towards individual farmers, cooperatives and other types of traders, processors and so on. Were the advances now paid to take the form of detailed provisional commitments this would impose limits on the execution of the budget which would bear heavily, unpredictably and unevenly on the beneficiaries. The Commission does not think Parliament wishes that to happen. To the extent that the supporters of the idea are really seeking ways of controlling the cost of the policy I would advise them that far more appropriate ways are available.

The Commission would however support the view that the Budgetary Authority should be informed monthly of the requests for appropriations, broken down by sector, which form the basis of the provisional global commitment. We will seek to include an appropriate provision in the Financial Regulation. It will also seek to include a provision which would introduce stricter discipline in this area by requiring that on any occasion when it is clear that the initial

budget appropriations by chapter need to be adjusted the Commission will forthwith introduce the necessary procedure, notably transfers.

The fourth point relating to new ground concerns relations with the Court of Auditors where the Committee on Budgets want to improve control arrangements. In particular it advocates a new structure for the Court of Auditors' annual report, the report which of course forms the basis of the discharge procedure. This revised structure involves the grouping of observations concerning each institution separately which would be followed immediately by the replies of the relevant institution. The Commission welcomes this suggestion along with others relating to the same area, all of which would contribute to a strengthening of the political control exercised by Parliament.

I now turn, Mr President, to the last category of amendments where the Commission is unable to accept the suggestions of the Committee on Budgets. The list is short, but the Commission feels it right to deal with each point individually because they are important and because it is necessary to deal with any area of disagreement between Parliament and ourselves.

First is the suggestion to replace the words 'commitment appropriations' by 'commitment authorizations'. The Commission opposes this change for several reasons: it goes against terminology in the Treaty and in the declaration of the three institutions of 30 June 1982. Moreover it calls into question part of the budget *acquis* where equal status is accorded to commitments and to payments. At a minimum the suggestion would be likely to cause confusion and could open the path to unproductive disputes.

Second is the suggestion to exclude the possibility for transfers to take place under the provisional twelfths regime. Here the Commission believes that such transfers should be permitted once other possibilities have been exhausted, and thus applied as exceptional measures in a manner consistent with the concept of the general regime which is, ultimately, to allow the continuation of essential activities.

Another suggestion of the Committee on Budgets is to limit the operation of provisional twelfths to a three month period. Here, the Commission, whilst understanding the motivation, does not share the conclusion. The risks to the Community, which would be associated with the introduction of this suggestion do not offset, in the Commission's view, the potential benefits. The Commission would much rather rely on the provisions of the declaration of 30 June 1982 to provide the political leverage needed to secure the early adoption of a regular budget.

Next, the Committee on Budgets whilst accepting that transfers should be made between dissociated and non-dissociated appropriations wants to limit transfers

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to those between non-dissociated appropriations and payment appropriations. The Commission does not accept this limitation because circumstances can arise when sound implementation of the budget requires such flexibility. We therefore advise strongly against prohibiting *a priori* this possibility.

A further suggestion of the Committee on Budgets the Commission cannot accept is that the statements of expenditure and receipts not only of the Office of Publications, as is currently the case, but also of all Community organs of legal personality, such as the Dublin and Berlin centres and the supply agency, which receive support from the Community budget should be annexed to the budget. The Commission's view is that the amendment is contrary to the provisions of the basic texts of these organs which allow them to draw up their own budgets on the basis of the subsidy decided by the Budget Authority. The amendment is thus incompatible with the autonomy and decentralisation which has already been decided. In any event the Budget Authority is of course free to fix the level of subsidy.

Lastly there is the suggestion by the Committee on Budgets to prohibit the use of private contract facilities in connection with external aids involving consultancy service contracts. The Committee advocates instead the exclusive use of calls for tender. The Commission cannot accept this amendment because not only are the amounts involved often relatively small but the work required is generally highly specialized where the specific experience and service offered are the determining factors. The Commission therefore maintains its proposal which provided for both private contract as well as tendering facilities to be used as dictated by circumstances.

This, Madam President, brings me to the end of my comments. I have dealt with all of the important

issues, leaving aside the numerous other points which are the subject of amendments from the Committee on Budgets but which although important are essentially of a drafting or technical nature, and are without political significance.

The Commission will of course after the debate, and taking account of the votes, re-examine its proposal as provided for in Article 149, paragraph 2 of the Treaty. In this way the Council will be able to work on the revised version, along with Parliament's detailed text and that of the Court of Auditors. It does not require any imagination to foresee that the revision of the financial regulation will constitute a classic case for the conciliation procedure.

I would like to assure the House before I sit down that the Commission, once it has Parliament's opinion, will do all that it can to help to ensure the sound completion of the remaining stages of this exercise. In this it will be guided by the desire to bring about changes in the Financial Regulation which measure up to the realities and requirements of budget life in the Community and which respect the responsibilities of each Institution including of course the budget and control powers of Parliament.

Madam President, I am glad to have been able to make this statement in the time available and I thank the interpreters for dealing with the speed at which I delivered it.

(Applause)

President. — In view of the late hour, we shall now adjourn the proceedings until tomorrow's sitting¹.

(The sitting was closed at 12 midnight)

¹ Agenda for next sitting: see Minutes.

ANNEX*Votes*

(The Annex to the Report of Proceedings contains the rapporteur's opinion on the various amendments and the explanations of vote. For a detailed account of the voting, see Minutes)

MOTIONS FOR RESOLUTIONS 'STEEL INDUSTRY')

- GAUTHIER (Doc. 1-510/83)
 - PEDINI (Doc. 1-516/83)
 - CAROSSINO (Doc. 1-517/83)
 - GLINNE (Doc. 1-551/83)
- REPLACED BY AMENDMENT NO 1, WHICH WAS ADOPTED

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MOTIONS FOR RESOLUTIONS 'FISHERIES'

- BATTERSBY (Doc. 1-482/83): ADOPTED
- ED GROUP (Doc. 1-505/83): ADOPTED

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**SEEFELD MOTION FOR A RESOLUTION
(Doc. 1-535/83 'HEAVY VEHICLES'): ADOPTED**

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WALZ MOTION FOR A RESOLUTION (Doc. 1-483/83 'TWELFTH WORLD
ENERGY CONFERENCE'): ADOPTED

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MOTIONS FOR RESOLUTIONS 'HUMAN RIGHTS'

- LALOR (Doc. 1-533/83)
 - LENZ (Doc. 1-546/83)
- REPLACED BY AMENDMENT NO 1, WHICH WAS ADOPTED
- HABSBERG (Doc. 1-547/83): ADOPTED
 - VAYSSADE (Doc. 1-538/83): ADOPTED
 - PELIKAN (Doc. 1-534/83): ADOPTED
 - FUILLET (Doc. 1-536/83): ADOPTED

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GHERGO MOTION FOR A RESOLUTION (Doc. 1-548/83 'COMMEMORATION OF RAPHAEL'): ADOPTED

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EPHREMIDIS MOTION FOR A RESOLUTION (Doc. 1-550/83 'Storms in Greece'); adopted

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BOYES REPORT (Doc. 1-1337/82 'COMBATING POVERTY'): ADOPTED

Mr Papaefstratiou, deputizing for the rapporteur, was :

- IN FAVOUR of Amendments Nos 2, 9 to 12 ;
- AGAINST Amendments Nos 1, 3 to 6 and 13.

Explanations of vote

Mr Adamou (COM). — (*GR*) The Commission admits that poverty results from the general development of the social and economic structures of capitalist society. This is correct, since in capitalism the purpose of production of material goods is not to serve man and to ensure prosperity of society in general but to procure the greatest possible profits for the owners of the means of production. As a result the workers and the masses in general live in poverty and deprivation.

Here are the roots of the crisis of over-production and under-consumption, vast unemployment and underemployment, miserable living conditions, diseases, illiteracy and mass poverty.

Under capitalism the profits of the monopolies grow on the one hand while on the other poverty spreads among the masses. One example : in 1980, according to official data, the ten EEC Member States produced goods with a total value of three billion dollars, a figure which corresponds to 11 000 dollars per capita for the 271 million inhabitants of these countries. At the same time five million people in Western Germany had an income of less than 2 000 dollars, which is the lowest acceptable limit, whereas 50 monopolies had incomings of 2 183 000 million dollars. Similarly in Great Britain millions of unemployed received no income at all while the multinational British Petroleum had a turnover of 54 000 million dollars.

Today there are over 50 million poor people in the Community, i. e. 20% of the total population. Mr President, within the Community Greece also ranks first as far as poverty is concerned. Because its economy is lagging behind wide strata of the population are being hit by unemployment and underemployment.

Accession to the EEC further acerbated the situation, while illegal competition and the Community's economic policy in general not only hurts the working classes and farmers but also small and medium-scale undertakings, with the result that the incomes of all workers have fallen and that unemployment is increasing.

A symptom of this situation is the unequal distribution of national income, the most unequal within the entire Community. 46% of the population share only 16% of national income, whereas 2.5% i. e. the wealthy oligarchy take 14%.

Mr President, while we cherish no illusions as regards the utter inadequacy of the measures which are being proposed, we will vote in favour of them in the certainty that millions of workers sooner or later will take their fate into their own hands.

President. — Mr Adamou, may I advise you to speak a little less quickly next time, as our interpreters are having great difficulties. Moreover, it is difficult for Members to understand what you are explaining.

Mr Hord (ED). — Mr President, yet again I find myself having to rise to my feet to complain about the way in which colleagues are reading speeches at a fast rate of knots, in a way which is totally discourteous not only to us here in this Chamber but particularly to the interpreters. I would ask you to use your good offices from the Chair to ensure that this is not repeated.

(Applause)

Mr Forth (ED). — Further to that, Mr President, may I make a constructive suggestion, namely that when it comes to explanations of vote, what appears in the record is what has been picked up by the interpreters and not what is written by the person making the speech. I think it is quite fair that people speak as quickly as they wish, provided the record reflects what is said — if it is picked up at all — and not what is handed in by the speaker in writing. I would like to make that suggestion.

President. — Mr Forth, you and I agree that what should be in the record is what has been said.

Mr Eyraud (S). — *(FR)* (in writing). Mr Boyes's favourable report on the first programme to combat poverty and the general outline of the proposals which it makes meet with our approval, and therefore we will vote in favour.

His preamble underlines very well the extent of poverty and impoverishment within the Community and the fact that the situation is worsening, mainly because of the employment crisis.

However, it seems to us that two new dimensions are coming into play and we would have liked greater emphasis to have been laid on them :

Firstly : the poverty trap is hitting broad sections of the population which are in a precarious situation. Poverty can no longer be considered simply as a situation but must also be looked upon as a process.

Secondly : there is the collective dimension. It is no longer simply individuals who are in difficulties but whole social groups : the long-term unemployed, young people with no qualifications, etc., and poverty even appears endemic in specific geographical areas both rural and urban, particularly in the old industrial sectors (textiles, iron and steel, etc).

Faced with such a state of affairs, the Community must not act like a noble benefactress doling out charity but must proceed to implement joint measures within the framework of a genuinely common social policy.

Mr Halligan (S), in writing. — On this occasion I want to make an explanation because I intend to abstain on a report which I would normally be expected to support.

The Boyes Report reveals that poverty within the European Community is increasing. Thirty million live below the poverty line. This appalling situation arises, in the Commission's words, from the economic nature of our societies. Poverty is the direct result of the inequality which necessarily characterizes capitalist societies.

It is now 2 1/2 years since the first Combat Poverty Programme ended. Meanwhile, time has been wasted in assessing and analysing that programme. There has been no follow-up action. I therefore intend to abstain on this Report in protest against the indifference of the Community Governments towards the poor.

As this report says, there is a conspiracy in our societies to exclude the poor and to deny them status and equality of opportunity. The Community is not yet prepared to acknowledge this fact. Accordingly, we are all engaged in a collective hypocrisy.

On behalf of the poor I demand proper funding for national programmes to combat poverty such as is being planned by the Irish Government. Nothing else will suffice. £25m Irish pounds for 30 million people is an insult.

Therefore, we should refuse to adopt this report as a mark of our disgust as a Parliament against this indefensible failure of will by the well-off to help the poor.

Let us give a signal here today. Anything else will pass unnoticed — and the problem of poverty will continue to be shelved.

Mr Kirkos (COM), in writing. — (GR) We will vote for the Boyes report on the first programme of experimental studies for the struggle against poverty and would like to congratulate the writer of the report for the thoroughness and the novelty of his proposals. The social and economic structure of European society and the inadequacy of the Community policies in the context of the wider international economic crisis are exacerbating the problem of poverty and are contributing to the increase in destitution in Europe.

Unemployment, irregular employment, the inadequacy of the social security system, low wages and lack of training hit the less advantaged social groups (young people, invalids, immigrant workers, illiterate persons, ethnic minorities, etc) which, as they have limited opportunities for demanding improvements in their living conditions are thrust even further into the margin.

It is clear that there is a need to take measures to implement programmes at national and inter-State level with a view to combating poverty and to increase appropriations and funds for research and information.

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SIR FRED CATHERWOOD REPORT (Doc. 1-248/83 'CAP AND EXTERNAL RELATIONS OF THE EUROPEAN COMMUNITY'): ADOPTED

The rapporteur was :

- IN FAVOUR of Amendments Nos 10, 17, 19, 30, 44, 45 and 47 ;
- AGAINST Amendments Nos 1 to 19, 11 to 13, 15, 16, 18, 20 to 25, 27 to 29, 31 to 43 and 46.

Explanations of vote

Mr Clinton (PPE). — I regret that I have to be critical of this report because I know that Sir Fred Catherwood put a lot of work into it — as most of his colleagues do when they are trying to damage the common agricultural policy.

I did as much as I could to try and assist him and I put down 8 amendments to try and improve the report. Sir Fred Catherwood came to me and said he could accept 7 out of the 8. But he must be losing influence in his group because he was only able to accept one of them. That is one of the reasons why I have to conclude that I cannot vote for his report.

This report sets out to discuss the effect of the common agricultural policy on external relations when in fact, it superficially discusses only one aspect of this complex issue : the effect of the Community's agricultural export policy on the world market. In practice of course, the common agricultural policy was established basically for internal reasons. We all know what these are. In addition, the establishment of a common agricultural policy was a prerequisite to free trade in all products within the Community. There is no way that the Community can accept that the requirements of its agricultural policy be dictated by third countries ...

President. — Your speaking time is over, Mr Clinton.

Mr Hord (ED). — I welcome the Catherwood report as it exposes many of the substantial shortcomings of the common agricultural policy. It is a timely report, firstly, when the Community has the largest ever surplus of dairy and other agricultural products and at the highest ever cost to the taxpayer.

Secondly, since we have just received the largest ever supplementary budget of 1 800 m ECU to sustain agricultural surpluses. These two facts are a clear indictment, Mr President, of the management of the agricultural policy and the Community budget.

Mr President, I suggest that this is all the result of the impotence of the Commission and the irresponsibility of the Council, together with a substantial lack of resolve on the part of the Parliament.

I shall vote for the Catherwood report but much more than words are necessary to return the Community to sanity and sound management.

Mrs Poirier (COM). — *(FR)* We French members of the Communist and Allies Group expressed our opposition yesterday to the Catherwood report, but we pointed out that our vote would depend on what happened to our amendments. In fact, they have all been rejected, together with others tabled by other groups and which could have amended this text, which means that the majority of this House is in favour of opening the frontiers of the EEC more widely to agricultural products from non-member countries. It rejects the idea that European agriculture can develop its export potential, which is tantamount to betraying the very future of our economies by deserting ground for the almost exclusive benefit of the United States. At the same time it justifies the guarantee thresholds and the accompanying co-responsibility measures. We reject this approach, which deliberately sacrifices tens of thousands of family farmers to benefit exporting firms and the United States. For this reason we shall vote against this report while remaining, of course, determined to continue our efforts with the farmers to cause the EEC to affirm its will to export by strengthening common commercial policy and resisting more resolutely the American offensive.

Ms Quin (S). — I shall vote in favour of the Catherwood report but I do so rather reluctantly. I would have liked a very much firmer statement on the harmful effects of the common agricultural policy on external trade and I wish that this had been incorporated in the report.

I am glad, however, that many of the amendments which were put down were not passed. I am particularly glad that Amendment No 33 — yet another attempt to lay a lot of blame on New Zealand — was not passed, and I am glad that this time New Zealand is not going to be held responsible for problems which it has done nothing to create.

Perhaps I could say to the Conservative Members who will be supporting Sir Fred Catherwood and who come from rural constituencies that they might like to explain to their own farming electorate that the system of export restitutions that we have in the EEC is not really a system which should be supported in the future.

Finally, I would like to say that we do not want any more of a system that disrupts world markets but we want a system that develops world markets for the trading advantages of the world as a whole.

(Applause)

Mr Sutra (S). — *(FR)* There are two things in the Catherwood report. First, basing himself on justified criticisms of the way the system works, he calls into question the basic principles and in particular rejects Community preference. We cannot accept this. But with regard to the EEC-United States negotiations, the Catherwood report reminds us of those flagellant monks of the Middle Ages who walked around lashing themselves on the back with a rope and greeted each other with the words 'Brothers, we must die'. Whenever you think of Europe, it is always Europe which is in the wrong, Sir Fred, and whenever you speak of the United States and these negotiations, it is they that are always in the right, and all that you can suggest to Europe is to keep quiet and accept defeat. That is not the way to bring about progress in a European Community. Once President Kennedy of the United States proposed a partnership with Europe, but you are more American than the Americans since you do not even want a partnership — what you want is a Europe prostrated before the United States. That is unthinkable.

Mr Damseaux (L). — *(FR)* I should like to congratulate the rapporteur, Sir Fred Catherwood, most warmly on his excellent report, which deals with one of the most intractable problems facing our Community today. In fact, the agricultural dispute with the United States is likely to encourage protectionist tendencies, which are always damaging to our economy and could even threaten non-agricultural Community exports.

I should therefore like to refer in particular to three points in this report which I consider to be of prime importance.

- (1) As regards the current dispute between the EEC and the United States on agricultural trade, I think we must bear in mind that there is absolutely no proof that the United States has lost part of the world markets because of the CAP. The fact that the Americans are not doing well can be explained by the very high level of the dollar, which is certainly what is holding American exports back more than anything, and possibly also by the policy of economic sanctions which the United States adopted recently.

On the other hand, it is a fact that the subsidies granted by the United States to its agriculture are higher than those granted by the EEC.

The total budget of the American Department of Agriculture (USDA) was 31 500 million dollars in 1982. Agriculture in the United States is highly protected, mainly by the setting up of the Commodity Credit Corporation, which plays a role similar to that of the EAGGF. For 1982 the expenditure of this Corporation alone amounted to 12 000 million dollars and the figure for 1983 should be about the same (loans, storage premiums etc.)

Furthermore, trade in agricultural products is subject to a number of non-tariff barriers. These take the form of import quotas, import licences, checking systems and labelling standards.

- (2) My second point concerns the problem of surpluses. We must admit that the Community has for too long given its producers an unlimited guarantee for the sale of their surpluses.

What we must do today as an initial step is to fix for those products which are in surplus an overall amount as close as possible to the level of Community self-sufficiency.

It would certainly be a good thing for the EEC to concentrate more and more on exporting processed goods in order to reduce these surpluses and thus to bring world prices closer to Community prices.

- (3) Lastly, I should like to stress the need, as Sir Fred recommends, to establish a broad dialogue between all the parties concerned.

The only way to combat these protectionist tendencies and to make way for a revival of international trade would be to work out a reasonable compromise which, while stabilizing trade in agricultural products, would prevent the proliferation of non-tariff barriers to trade in industrial products.

Unless we come to an agreement with the United States, we must expect the United States — as Mr Block, the US Secretary of Agriculture, announced at the World Trade Conference — to do everything to retain its part of world agricultural trade, even if it has to dump its products on foreign markets.

In addition to this agreement which the United States and the Community must come to, these two partners must realize how great the responsibility is which they must and will have to bear with regard to their other partners such as Canada, Australia and New Zealand, but also and above all with regard to the developing countries.

* * *

PAPAPIETRO REPORT (Doc. 1-390/83 'European schools'): ADOPTED

The rapporteur was :

- IN FAVOUR of Amendments Nos 2, 7, 9 and 10 ;
- AGAINST Amendment No 1.

Explanations of Vote

Mr Gerokostopoulos (PPE). — (*GR*) In principle I agree with the motion for a resolution on the European Schools, the result of patient and on the whole successful work by the rapporteur Mr Papapietro. However, as regards certain points I would like to express the following reservations :

Firstly, in paragraph 1, greater emphasis should be laid on the overriding need for a thorough mastery of one's mother language, as unless one is fully familiar with it, it is difficult or impossible to acquire a foreign one.

Secondly, the drafting of paragraph 6 was unacceptable to me until it was replaced, I am glad to say, by the amendment which was successfully tabled by Mr Marck.

Thirdly, as regards paragraph 7, I would like to point out that history must be taught in one's mother language. The language of communication is unsuitable for teaching the pupil the unadulterated forms of the place names and the names of the national heroes of his native country. For example, we have Aachen which is called Aix-la-Chapelle in French, Navpakto which is referred to as Lepanto in other history books and Charlemagne who is called Karl der Große in German, etc.

Fourthly, paragraph 9 should lay greater stress on the need for a harmonized ruling by all the Member States on the duration of secondment of teaching staff and should propose a period of nine years as the lowest limit, for the reasons Mr Papapietro referred to in his report.

Despite these reservations, I should like to repeat that I will vote in favour of Mr Papapietro's motion for a resolution and I would like to congratulate the rapporteur warmly for his work in preparing it.

Mr Vankerkhoven (PPE). — *(FR)* As it now stands in its amended form, the resolution to be put to the vote deserves our support. I am very pleased that we have realized that it is not acceptable to deprive the young people of Europe of an awareness of their heritage and of the legacy of civilization in which their future is rooted. A generation with no knowledge of the past is a generation with no identity, with no intellectual or spiritual affiliations, with no moral grounding and with no specific destiny. I am far from wishing to replace the teaching of history with what we are pleased to call the human sciences, since I am firmly convinced that the future construction of Europe must hinge on an awareness of its essential history, of the common, permanent values which are part of it and which alone are the legitimate basis for its message of universality. Moreover, I maintain that a study of the past offers the young people of Europe a unique opportunity to appreciate that history is forged by the hands of men, that it does not flow in a straight line and that it is never anywhere written by the ineluctable, irreversible tide of predestination.

The adoption of Mr Marck's amendment enables me to approve this motion without conceding anything to the pedagogues who would preach amnesia, whose theories, once accepted, would risk turning our children into craftsmen who are as uncultivated as they are indifferent to culture, constructing an edifice with no foundations.

Mr Bernard (S). — *(FR)* I should like to pepper my comments of general approval with a few remarks on two particular points. The first remark concerns the passage in the report which alludes in terms which I found almost pejorative to the situation of children in families which speak a dialect of one of the official languages of the Community. On this point I think, contrary to the impression given by the report, that if these dialects were to be given official, intrinsic recognition by the Ministries of Education of the countries concerned, and even more importantly by the European Schools, which are exemplary in that they are, as underlined in the debate, laboratories for linguistic and cultural pluralism, speaking these dialects would be an excellent apprenticeship not only for the official national language from which the criticized dialect derives, but also for the other languages and dialects in the same broad linguistic group.

My second remark concerns the fact that there is no mention in this report of the possibility of the programmes concerned taking into account the less commonly spoken languages of the Community, which in some cases are threatened with extinction. If these languages, which are becoming minority ones, even to the extent of being openly and hypocritically resisted are thus ignored, then the key to the treasures of the cultural heritage linked to them is lost. I admit that these first European Schools were intended to answer the immediate, utilitarian needs of a limited number of children of European officials, but the development of educational and cultural needs has made it necessary to set about repairing the cultural damage suffered by numerous peoples during the war-torn emergence of the great European states. All the more reason to preoccupy ourselves, in the curriculum of the European Schools, with basically cultural concerns, not only those which are immediately utilitarian. And since, during the course of the debate, the importance for the development of the new European citizen of teaching history beyond the chauvinistic attitudes of nation states with hegemonic tendencies has been underlined, I shall indicate my agreement with the analyses of our colleague Mr Bøgh, insisting on the fact...

President. — Mr Bernard, you have exceeded your time limit, You may finish your explanation in writing.

Mr Bernard (S), in writing. — (FR) ... that the only incontestable cultural reality is in effect an amalgam of national cultures. In fact, in Europe today, many of these minor, least-used languages and cultures — which in some cases are in danger of extinction — are the remaining expressions of magnificent cultural adventures which, in the past, have helped to spread some of the values which we today hold in common, and these expressions are precious because they are irreplaceable.

From this point of view, would it be reasonable or permissible not to have the same interest and the same concern to preserve and promote these products of the mind which are our languages and cultures as we have for the compositions in stone which are our archaeological monuments? Subject to these remarks, I shall vote in favour of the motion.

Mr Beyer de Ryke (L) (F). — My colleague Mr Papapietro, who is a cultured man, must have been jealous of Rembrandt's talents, since he has in fact presented us with a chiaroscuro. But, fortunately, with one stroke of his brush Mr Marck has erased one of these shadows, and, thus light remains, so I shall vote in favour of his report. What was this shadow? It was precisely that same Article 6 which was aimed at eventually replacing history with human sciences. Personally, I have great respect for human sciences, but human sciences or environmental studies are often a hotch potch which mixes together a bit of history, a bit of geography and a bit of sociology. I believe that each of these disciplines has its own value, its own rules and regulations and its own constraints. And I personally am in favour of introducing or reintroducing history into our curricula, because I think that we are in fact producing a whole generation which will know more about 'Superman' and 'Star Wars' than about Richelieu and the Wars of Religion. And I believe, Mr President, that civilizations are mortal, as Valéry said. Well, in order for civilizations not to be mortal, they have to remember their past, we have to know who we are, we have to have our memories. Finally, I subscribe to Mr Papapietro's report and I will vote in favour of it with great pleasure.

Mr Hutton (ED). — Mr President, in view of the hour I am quite happy to put my explanation in writing. I am aware, however, that the children of many Community officials are at present taking their examinations, and I hope that every Member here, regardless of what he thinks about the report, would at least want to wish them well.

Mr Hutton (ED), in writing — I shall support the Papapietro Report but I want to make the implication of that quite clear.

There has been a lot of unhelpful and uninformed criticism during the debate which has missed the target and will leave a lot of people with the impression that this Parliament has not got a good grasp of the subject.

These schools are open to the children of all levels of officials, they are certainly not elitist at that level. Where they are exclusive is in the level of attainment the children are expected to reach in the difficult circumstances of working in two languages. These schools do not have a wide enough range of extra curricular activities but then they do not have particularly generous fundings either. There should be a central procedure for selecting the teachers and I believe that there should be certificates for achievements in individual subjects and not simply the pass or fail of the baccalaureate. There is the potential here to find a universal European school qualification acceptable for tertiary education all over the Community.

I believe we should vote positively for these schools.

Mr Forth (ED). — I shall give my explanation of vote, as we are all entitled to do, verbally, because I think it is one of the few rights left to individual Members of this House and should be fully exercised.

I have serious doubts about this whole report, because I have doubts about the schools themselves. I am not convinced that this is a valuable contribution to the educational process, and I am not sure that we should be giving it our support.

As much as anything else, it gives politicians an opportunity to involve themselves in education to an absurd extent. Paragraph 6, which fortunately we have replaced, provided for an attempt by politicians to do just that, and in paragraph 11 we are, apparently, actually going into the classroom and telling teachers how to go about their business, which is about the worst thing that could happen.

Further, I will reiterate my usual plea to the House. In paragraphs 12, 13, 14, 15 and 25 at least, there are suggestions which will entail additional expenditure. I ask yet again, where will this expenditure come from? From additional taxation? Or will other parts of the budget suffer? We do not know; we are given no hint at all in this report about where the money will come from.

I would finally draw attention to paragraph 19, where we are given the splendid phrase:

‘An attempt should be made to establish stronger links with European society and with the existing permanent education structures’.

That does not mean a thing to me; I do not think it will mean a thing to anyone that reads it. All in all, this is yet another report which I would rather had not been written: it is of no value and will, one hopes, gather dust wherever it ends up.

President. — That was exactly one minute and 30 seconds, Mr Forth. I am not sure, however, whether a coherent record can be printed in the Report of Proceedings, because it was very difficult to follow.

(Applause from the left)

Mr Papietro (COM), rapporteur. — *(IT)* Mr President, I would not be exercising my right of reply were it not for the fact that I have repeatedly been accused of being against the teaching of history, an accusation which I reject and which I shall refute. I am not against teaching history, because humanities is not against history but includes it; human sciences derive from the fertile historiography of modern times, weaving the thread of history into the cloth of economics, geography and social sciences. That is why I am not against the teaching of history, as has been suggested. My honourable and eloquent friend Mr Beyer de Ryke has told us that practical problems persist in the implementation of this method, and I can well understand that there may indeed be a problem. This nevertheless seems to me to be worlds away from a charge of neglecting history. I should like to reassure the House that I am in favour of history as it is taught in human sciences. Since Mr Marck's amendment does not do away with history, I, as an historian, am therefore prepared to see it accepted.

* * *

BONACCINI REPORT (Doc. 1/474/83 ‘Economic situation in the Community’): ADOPTED

The rapporteur was:

— IN FAVOUR of Amendments Nos 1, 3, 14, 19 and 24;

— AGAINST Amendments Nos 2, 4 to 5, 8, 9, 12, 15 to 17, and 20 to 23.

Explanation of vote

Mr Bonaccini (COM), rapporteur. — *(IT)* Mr President, I should like to thank the Members present — the few — who during the course of the debate have spoken so kindly of my report.

I have to note that during the course of the vote two amendments were adopted which destroy the balance achieved by the Committee on Economic and Monetary Affairs. I shall therefore be abstaining in the vote.

**THIRD HOOPER REPORT (Doc. 1-476/83 'Liquids for human consumption') :
ADOPTED**

The rapporteur was

— AGAINST all the amendments.

Explanations of vote

Mr Brøndlund Nielsen (L). — *(DA)* I find this motion for a resolution illogical. It's aim is all well and good, but if it is suggested that this aim should be achieved by each Member State making its own arrangements, and since, furthermore, it has now been decided that it should only be a recommendation and used as a basis for opening up the borders, I think it might well end up having the opposite effect to the one intended. I do not deny that it may be a step towards each Member State trying to bring about some sort of systematic arrangement for recycling containers, but the fact of opening up the borders will on the other hand mean that effective existing arrangements will be undermined. Moreover, if it is only a recommendation it very doubtful whether it will have any great effect at all. If it had been a proposal for a directive containing these guidelines, I would have abstained. However, since it is only a recommendation I will vote against it for the reasons I have just explained.

Mr Johnson (ED). — In spite of my deep personal admiration for our rapporteur, Miss Hooper, I shall not vote in favour of the Hooper report because I cannot vote in favour of a recommendation in this case. Our job here is to make Community law. There are many international institutions capable of making recommendations. Let them get on with it.

Mrs Seibel-Emmerling (S). — *(DE)* Mr President, the Socialist Group will vote against the recommendation before us. It is absolutely impossible to deal with a matter like this by adopting a recommendation. This amounts not to a first or second-class state funeral but to a third-class one, and we will have no part of it.

I am extremely sorry that this House is trying to undermine the Council's efforts to give the Community a progressive Directive in this matter at last. I regret it very much indeed and hope that at some later stage you will all realize that the decision you have taken today was wrong.

SITTING OF FRIDAY, 8 JULY 1983

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IN THE CHAIR : MR DANKERT

President

(The sitting opened at 9 a.m.)

1. *Approval of the Minutes*

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

Are there any comments ?

Mr Pearce (ED). — Mr President, is this the moment to ask you if you have any comments on the matter which I raised yesterday concerning the press conference on the document which was issued yesterday afternoon ? I believe you have received information about my remarks.

President. — Mr Pearce, I have seen that the chair referred it to the Bureau yesterday and the Bureau has not met since.

Mr Griffiths (S). — Mr President, I want to refer to the brief debate held on the calendar of part-sessions for 1984 yesterday when, after an impassioned plea from Vice-President Pflimlin, it was decided to hold back the vote until September because of the need for full consultation with Members of the Parliament.

This morning, when I was coming into the Parliament, I heard on the radio that the Bureau of the Parliament has asked the City of Strasbourg to provide more offices for staff here in Strasbourg. Now what I would like to know is will the Parliament be consulted about this decision, which is bound to have a considerable influence on the whole of the question of where the seat of the Parliament should finally be, and I wonder whether the President would like to make a statement this morning.

President. — Mr Griffiths, it is good news in that the Bureau makes public to the groups immediately after the sessions of the Bureau the contents of its decisions. There is a decision along the lines you indicate and I think that if you read the decision you will have no further questions.

Mr Enright (S). — Mr President, it does seem to me that this is a part of the Bureau's preemption of the Parliament, exactly in accord with the setting up of the 'Catherwood conspiracy'. Can the Bureau when it is looking at the 'Catherwood conspiracy' tomorrow — or whenever it happens to meet — also look at its general operation and ability to communicate with ordinary back-benchers ?

President. — Mr Enright, the Bureau always avoids conspiracies, having full respect for back-bench Members. Apart from that, I have to add that concerning buildings, a number of decisions were not

taken during the last meeting precisely in order to discuss them with back-benchers.

Mr Harris (ED). — Can we now then have an assurance from you, Mr President, before any decision or recommendation the Bureau has implemented over the question of further office space here in Strasbourg, that the proposal will be put to the full plenary session for endorsement ? In other words, that no action will be taken in this respect without the full Parliament being consulted and having an opportunity of expressing its view and, indeed, of taking the final decision. Can we have that assurance ?

President. — No, Mr Harris. I think every organ in this House has its specific competencies ; sometimes it is wise to consult Members. As far as I know Members are organized in political groups which have representatives in the Bureau and the enlarged Bureau and in that way I think we can live in a far more reasonable manner with one another than by having the Bureau discussions, which are already difficult, conducted in the plenary.

Mr Seligman (ED). — Could it be that colleague Enright is jealous that he is not on the Bureau himself ?

President. — That is a private question.

Mr Chanterrie (PPE). — *(NL)* Mr President, arising out of the previous question, can you give the European Parliament the assurance that if enlargement is the reason for additional offices in Strasbourg, this also holds good for another venue, such as Brussels ?

President. — Not quite, Mr Chanterrie.

Mr Harris (ED). — I am seeking genuine information on this point. Could you please tell me under what standing order I can put down a motion of no confidence in the Bureau ?

President. — It is an interesting question. I have no answer, because the Rules do not provide for it, but it must be politically possible.

Mr Harris (ED). — I shall just table it.

Mr Maher (L). — Mr President, is it not always possible for a member of any particular group to put down a motion of no confidence in his own representative on the Bureau if that is necessary ? Is that not always possible ? After all, the group can request, all this information from its own representative on the Bureau.

President. — Mr Maher, that again is a matter of the internal responsibility of groups.

Mr Provan (ED). — Mr President, I am sure most Members have confidence in most of the decisions the Bureau take. Can you give us an assurance that if

Provan

you are requesting the City of Strasbourg to investigate further building of a plenary chamber and perhaps of offices for staff it will, in fact, only be on a rental basis and that there will be no capital involvement as far as the Parliament is concerned?

President. — I can.

Mr Klepsch (EPP). — (DE) Mr President, I simply want to say that you could tell the honourable Members from the Conservative group who so greatly mistrust your chairmanship: although, the Rules of Procedure do not permit a motion of censure against the Bureau, you are free to decide what to do about your own group chairman.

(Parliament approved the Minutes)¹

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2. *Votes*²

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3. *Agricultural research*

Mr Gautier (S), rapporteur. — (DE) Mr President, ladies and gentlemen, this report by the Committee on Agriculture concerns the Commission's framework programme, beginning in 1984, for future agricultural research. In my view the starting point for this is the report by Mr Linkohr on which it is based, which we adopted some time ago and which also provides some information on Parliament's position on agricultural research. We originally stressed the need to improve the quality of foodstuffs, to reduce environmental pollution and the use of energy and put forward several suggestions as to what the Commission should include in its research programme.

I am therefore happy to be able to say on behalf of the Committee on Agriculture that, in the framework programme before us, the Commission has adopted most of Parliament's suggestions — perhaps they were also the Commission's own ideas — so that we can accept the bulk of the programme.

There are three parts to the programme. The first section deals primarily with the use of energy in agriculture; the second, with structural questions, particularly in the Mediterranean region, and the third section with the productivity where agricultural produce is concerned.

¹ Membership of the ACP-EEC Consultative Assembly — Petitions — Motions for resolutions (Rule 49 of the Rules of Procedure) — Referral to Committee — Procedure without report (Rule 99 of the Rules of Procedure): See Minutes.

² See Annex.

The Committee on Agriculture supports all these three points. We feel that they contain favourable elements for the future of agriculture. We realize that we cannot go on increasing production since, on the whole, we are already suffering from over-production; but at the same time there are several areas where agricultural research can help reduce costs particularly by reducing the energy input or with regard to the use of herbicides and other substances.

We particularly welcome the fact that the Commission is now proposing a series of investigations as part of comparative studies on the ecological aspects of cultivation. This, in my view, is something which, in addition to its agro-economic aspects, is particularly important where policy is concerned. The Committee on Agricultural nonetheless takes the view that the Commission's programme should be accompanied by economic studies. The existing programme comprises exclusively agronomic studies undertaken primarily from a scientific point of view, whereas we would like the Commission, as a matter of principle, to incorporate its economic investigations within the framework of agricultural research and coordination of agricultural research.

Our motion for a resolution also calls on the Commission to present a separate programme on milk policy which would seek ways and means of reducing surpluses in the milk sector.

We feel that a lot of things have still to be done in this area. From conversations with the Commission I know that they intend to do this.

I should also like to point out that we are seeking to shorten the existing agricultural research programme from five to four years. The sole reason for this is that the Community research policy framework programme runs for four years and since the agricultural research programme is part of this framework programme, we feel that it would make more sense if all the programmes were of equal duration and if the Commission could make a joint report after four years.

Finally, I should like to say that we consider it very important that the Commission should rationally coordinate all the current programmes and should draw up a corresponding catalogue. In conclusion I should like to state that research is of little use unless it can be translated into practice. I hope that the House will vote for this report today.

IN THE CHAIR : MR ESTGEN

Vice-President

Mr Protopapadakis (PPE), draftsman of an opinion on behalf of the Committee on Energy and Research. — (GR) Mr President, the Committee on

Protopapadakis

Energy and Research welcomes the programme for agricultural research because it is a positive contribution to the many-sided work of the Committee, i.e. to energy, research and technology.

Concerning research, I would say that the principle according to which 'there is always a better way, and to find it we must do research', means that where the expenditure on research is greatest, there lies the greatest likelihood of achieving improvements. Thus, it is natural for a programme of research into the better management of resources to be able to offer a great deal to the agricultural sector. Because economy does not mean that we must limit the lawful incomes of our citizens. Economy means that we must make better use of the resources we have, and research gives us just this possibility. And it is highly desirable that we should solve our problems not on the basis of our own experience, and of the assumption we make, but by basing all our decisions on the properly documented results of research.

As for energy, we observe that agriculture is one of the important energy consumers since it consumes 4 to 5 % of the total energy used for occupational purposes. Energy economy within the framework of agriculture can be achieved either directly, for example by using better insulating materials in hot-houses to avoid heat losses but allow the heat to enter from the environment without escaping from the inside outwards, or indirectly by means of various other technical improvements. This is where the technological factor plays a part. But in addition, energy from sources, such as the sun and the wind, which are particularly well suited to agriculture in that they can yield energy for local use. Energy for agriculture can also be produced from biomass, i.e. from the waste generated in agricultural production, such as straw and manure, which can be used to produce energy by fermentation, gas production or the production of alcohol. They can also be used as fuels in special kilns for the production of energy. It is also possible that the search for energy in the agricultural sector may contribute to the solution of our more general energy problem, as with the cultivation of appropriate plants that, by the means I mentioned earlier, may be used to produce energy. In this way we may save many millions of tonnes of fuel oil. All this, however, will devolve from a full and well-ordered programme, and for this reason the Committee on Energy and Research recommends approval of the proposal.

Mr Woltier (S). — *(NL)* Mr President, on behalf of my group I wish to declare our agreement with this report. In the first place I feel it is appropriate to give the rapporteur, Mr Fritz Gautier, all praise for the way in which he has acquitted himself of his task and to express our gratification at the substantial support he received.

Agricultural research is an important aspect and one of the building bricks for further agricultural development. Consequently it is a good thing for an effort to be made in a European framework to coordinate agricultural research. Duplication or too one-sided initiatives must be avoided. That is the viewpoint of my Group and we find this reflected in the report, and hence we can entirely agree with it.

I should like to emphasize a few more points. First, it was pointed out by the previous rapporteur how important it is that we should take a look at energy consumption in agriculture. To this I should like to add that it is not only energy consumption that is important in agriculture but also employment. Also, one of the most important aspects on which research should be more sharply focussed — certainly in a coordinated framework — is improvement of the welfare of domestic animals and better environmental technology in agriculture, also known as ecological agriculture. This kind of research is of enormous importance and I want to stress once again that there are good prospects for agriculture even though it is now in serious difficulties.

Another issue that has since been included in the report, to which I attach much importance and which I would like to bring once again to the Commission's attention, is the so-called policy-supporting research. Mr President, throughout the last few years we have discussed with one another reform of the agricultural policy. What strikes one here is that if we want to know the effect of certain proposals on the goals enshrined in the Treaty of Rome, and which can be quantified, scarcely any difficulties are raised. It is precisely that sort of research which one can quantify, where one can determine what the effect of proposals are, so that political choices are made possible, which is of very great importance. Here and there, that sort of research is carried out in various agricultural colleges and it is extremely important that the Commission should support just this kind of research, attempt to coordinate it and try to adapt it to practical needs. In this way not only would policies be served, but also European agriculture, because in this way any developments you want to bring about can be stripped of their uncertainties.

In conclusion, Mr President, I should like to express my appreciation to the rapporteur for drawing up this report and for the support he has received in the Committee on Agriculture. Our Group will certainly give its full backing.

Mr Marck (PPE). — *(NL)* Mr President, on behalf of the PPE Group, I should like to associate myself with the praise which has been accorded to the report by Mr Gautier. In the Committee on Agriculture we achieved a very large consensus on this report, which was outstandingly prepared and drawn up. The

Marck

Commission proposals correspond to the aims which we have in mind, namely reduction of the disparity in incomes between farmers and other sections of the population, greater profitability of agricultural holdings, especially through the lowering of production costs and the promotion of product quality. This seems to me an appropriate objective for agricultural research. But if we are to accomplish this a number of conditions must first be fulfilled, and in the first place, as Mr Woltjer has already said, research must be coordinated as effectively as possible between the Member States *inter se* and beyond the Member States. I am pleased that the amendment to modify and improve the register of all programmes current in the Member States and to allow access to the register has been adopted.

Second, we attach great importance to support and promotion of the existing research centre. It can surely not be the Commission's intention to set up its own centre or conduct its own scientific research in sectors where there already exist independent research centres.

My third point concerns the dissemination of results to the producers. All too often scientific research in agriculture, while being of high quality, falls down because the results of such research are not properly passed on to the producer. If research programmes are to produce real results, their results must automatically be passed on.

Fourthly, we advocate special training and further training for researchers and therefore we ask the Commission to look at this as well. We agree with the proposals to promote agro-economic research more vigorously. In the present situation, where so many aspects of agricultural policy are being criticized, I consider this a sound basis for future policy.

Finally, I should like to call attention to an observation by my colleague, Mr von Hassel, who asked for special emphasis to be laid on research on meteorological information. He talked to me of the practice in his own region, Schleswig Holstein, and also in Southern England, of closely adapting meteorological information to the needs of local farmers, which can result, among other things, in lower production costs. Without the proposal being tabled in the form of an amendment, I should like to request that the Commission be asked to what extent meteorological reports and the relative scientific research can be promoted and incorporated in training programmes.

Mr Provan (ED). — Mr President, on behalf of my group, I too am very happy to welcome the report that Mr Gautier has brought before Parliament this morning. I think the European Community occasionally has the opportunity to do things for people generally in the Community that do not in fact cost very much in the way of finance. It is through coordina-

tion and making certain that we do not waste resources when something is being carried out in various Member States at the same time. If we coordinate properly, we can save duplication of work and therefore duplication of effort and wasting of resources. This report, in fact, is calling for greater coordination and therefore savings and, at the same time, making certain that efforts are directed in the right way.

Mr President, at this time, because of its success, the common agricultural policy is being viewed by different people as a problem. Research and development in the Community and in the Member States has achieved a massive increase in yields and therefore production for the farmers within the Community. That research and development on both sides of the Atlantic has led to an international situation that causes a great deal of concern. I would have thought that the European Community now must, in fact, grasp this problem firmly and say to the researchers within the Community: 'We have got to change the emphasis of research and development so that we get a clearer directional change for the agricultural policy as a whole. We must therefore ask for deployment of resources within the Member States in such a way that we can achieve greater efficiency of output in agriculture whilst not necessarily having the same effort on increasing production and capacity.'

Mr President, at the same time, one of the main things that has already been referred to is deployment of energy in agriculture itself. Agriculture is one of the priority sectors in any future energy crisis. Priorities must be drawn up and surely one of the main priorities is our own supply of food. Agriculture is a user of energy, as everybody is aware, in many different areas. Motive power is one of them, but I am sure ways and means will be found of getting over the consumption of that scarce resource, oil. But we cannot get away from the use of oil as far as fertilizers and chemicals for weed control are concerned. I therefore hope that there will be a deployment of research into the use of oil in agriculture so that we can spin out that scarce resource for as long as possible into the next century, until other forms of fertilizers and chemicals are found.

Another area which we have really got to look at is the use of the sunshine in the Mediterranean areas. We hear a great deal in this Parliament about the poverty in the Mediterranean regions. Yet surely the Mediterranean region is one of the most well-off areas of the Community because it does not have to depend on oil and energy-use. They have it free — gratis from the sun. Therefore we must, as a Community, try and harness that to all our benefits at the end of the day.

I therefore have a great deal of confidence in the future of agricultural research. There is no doubt that they have got a great deal to look to in the future.

Provan

As my friend, Mark Clinton, keeps reminding me, we in Scotland are perhaps more fortunate than other areas in the Community because we have a very good system for dissemination of the information that has come from the agricultural researchers. We are fortunate because we have got a good set-up so that that can be spread around all the farming communities. That does not happen in other areas of England so much. It does not happen in other areas of the European Community. Therefore, one of the things that this report requests is that this information be better spread and leaked out, if you like, from the research bodies themselves.

The one problem that we have with Mr Gautier's report is that he is seeking to reduce the time that the Commission has suggested is made available for the programme. Mr Gautier is suggesting a four-year period when the Commission would seek five. I hope that Parliament will agree with the Commission on this because the longer term research would require a five-year period.

Mr President, with those cautionary remarks my group has every hope of being able to support this report entirely.

Mrs Desouches (S). — *(FR)* The consideration of the proposal for a Council decision and the report drawn up by Mr Gautier call for several comments which I should like to make on behalf of my colleague, Mr Eyraud.

First of all financing. Currently, only 1 % of Community research, or 3/10 000 of the EAGGF budget, is devoted to agricultural research. It is therefore essential to put more money into it. Moreover, a substantial part of the overall amount proposed is earmarked for future proposals, the content of which has not been defined. Consequently, it is difficult to take a stand on the overall amount which also depends on the resources which will be available in the future and which in turn is linked to the future financing of the Community.

Furthermore, this programme as it is presented lacks balance. For example, 16 million ECU have been earmarked for energy and a mere 6.5 million for plant productivity which is the very basis of agriculture.

There are also some comments to be made on the content of the programme. The content of these programmes should be reconsidered. For example, the livestock programme is divided into three parts: first, research into diseases, without stating which ones are important. Where the CAP is concerned, it should be those which limit trade and which serve as a pretext for protectionism. Research into animal husbandry is certainly very important, but one wonders whether this is a priority problem for the CAP at the present time. I feel that it is a serious omission that no provision has been made for research into milk production.

With regard to plant research, there seems to be a need to study the possibilities and the consequence of replacing surplus crops by products which are in deficit, for example replacing olive trees by almond or pistachio trees etc.

Finally, agronomic research is clearly long and difficult so that it seems reasonable, as the Council proposes, to provide for five-year programmes.

Mr McCartin (PPE). — Mr President, I agree with previous speakers who have complimented Mr Gautier on his report. I welcome this report and, like the previous speaker, I regret the fact that only 1.8 % or 1 % as the previous speaker quoted, of our present research funding is going into agriculture, even though it is to be welcomed that within the framework programme it is proposed that this figure be increased to something like 3.8 %. It is, however, regrettable that an economic community which spends such a large portion of its budget on the agricultural industry has not proceeded more rapidly to coordinate its research programme and indeed to develop research within the Community so that we can be assured that we are making the best possible use of the amount of money that we are spending on our common agricultural policy.

While, as Mr Provan stated earlier, the success of the common agricultural policy can at times be almost an embarrassment to this Community, the fact that food has been produced in this part of the world in large quantities should not be an embarrassment. The problem is that while there is a great demand for this food throughout the world, the cost of production is so high that those who most need it cannot afford to pay for it. We can direct considerable resources towards establishing how this food can be produced more cheaply and since our common agricultural policy is not just a policy for agriculture — it is primarily a food policy — great emphasis in the future should be placed on the further processing and marketing which, in fact, accounts for two-thirds of the whole chain of food production. Agriculture accounts for only 30 % or 33 % of this. If more resources are committed to the more efficient processing and marketing of these products, we will put them within the reach of people who cannot now afford to buy them.

We should also aim to close the technological gap between the richer and the poorer parts of the Community. Everybody will recall that it is from the poorer regions of this Community — the areas of poorest farm structures — that the greatest demand for increased agricultural prices comes. This is right and natural, because that is where agricultural incomes are lowest. If we close the technical gap and bring those regions to produce the crops best adapted to their climate and resources we will make it possible for them to achieve a higher standard of living from

McCartin

greater production, without the need for higher prices. I think we should concentrate on this economic aspect of research.

In addition we should not forget the other regional consideration which is that we would not like to see all the funds devoted to research spent in the better off parts of the Community, i.e. the urbanized or richer areas. For psychological and for economic reasons more should be spent in lesser developed regions. We can also save considerable resources — if not for the Community, certainly for the individual States — by coordinating the research programmes of the various countries. It is regrettable that for a well-developed common policy we have done so little so far in the area of research. I am convinced that in the various countries and various regions of this Community, we have research into similar projects proceeding at the same time and we have no coordinated policy for either achieving the right results or reducing the cost. We have nothing better than the bilateral arrangements that exist between scientists and institutes in the various parts of the Community. This is an area where we should also concentrate our resources. Certainly we could do that to very advantageous effect for farmers both in the individual Member States and in the Community.

The area of energy has already been mentioned and I understand that at the moment research is going on in the part of the Community I represent. One of the more exciting figures which we heard some years ago was that because of the climate of my part of the Community, we could produce from biomass short-rotation forest crops — from 25 % of our land — enough energy to meet all the energy needs of the country I represent. Certainly there is a lot of research to be done and we have to find out whether this energy can be produced economically.

My final point is that alternative land uses, where we have over-production of some products, is a very worthy area and could justify any money spent.

Mr Seligman (ED). — Mr President, I just want to make some brief points.

Firstly, about unity of research ; I think it is absurd to have two different research programmes going on in parallel — one in DG 6 and one in DG 12. Hydroelectric research, wind energy research — both apply to farms (and equally to other areas). It is just that they would be smaller for farmers. So I do think there is a lot to be said for unity in research ; putting it all under one DG.

The second point is that research should be carried out on reducing the use of fertilizers. We squander fertilizers to produce surplus crops out of unsuitable land. I think that is madness. Trying to squeeze the additional ounce of production is a waste of oil and energy.

My third point concerns research into nitrogen fixing. I think we can save a lot of oil if we intensify our biomolecular research into that area. India is doing a lot of excellent research into nitrogen-producing crops such as pigeon-pea, etc. We should devote a lot of research to getting nitrogen fixing applicable to cereals as well. This is a big area and could lead to a major saving in energy.

Finally, biomolecular engineering in connection with sunflower seeds and colza. If we are going to use sunflower seeds and oil to drive tractors, we want sunflower seeds that have more carbon and less nitrogen. This is another area for biomolecular engineering.

There is much to be done in this area, and I hope that more attention will be given to these points.

Mr Natali, Vice-President of the Commission. — (IT) Mr President, the Commission joins in the compliments that have been paid to Mr Gautier for the excellent report he has presented and would like also to thank all who have taken part in this debate.

It has been stressed, both in the report and in the debate, that this five-year research programme, which follows on two other programmes adopted in 1975 and 1978 respectively by all the parties concerned, is an important element in the efforts to achieve the objectives set out in the EEC Treaty for the agricultural sector. We are grateful, as I have said, to the rapporteur, the Committee on Agriculture and all who have spoken in the debate for their support for our proposal.

We have no difficulty in accepting some of the amendments tabled, particularly Amendments Nos 1, 6, 7 and 8. We cannot, however, accept Amendments Nos 2 and 3, both because they seek to reduce the duration of the programmes from five to four years and also because of their views on the budgetary resources allocated for these programmes. We feel that to reduce the duration of these programmes would make them less effective, because agricultural research, as is well known, is linked with biological, animal and vegetable cycles, and these cycles are rather long.

With regard to the possibility of developing economic researches in the agricultural sector, which is the object of Amendments Nos 4 and 5, we are prepared to take this suggestion on board, without however being able to commit ourselves to making any alterations in the present proposal at the present time. To implement the ideas put forward in these amendments would call for a lengthy preparatory study before their exact content could be clearly outlined, and this would delay the putting into effect of the instrument that we are considering today.

Natali

If Parliament wishes — and it seems to me that it does — the Commission will undertake to present to it a detailed programme on this matter that will include appropriate financial proposals.

In conclusion, I should like to confirm — seeing that the motion for a resolution refers to this — that the Commission is at present studying a specific research programme in the area of agricultural surpluses. I would remind the House that the European Parliament entered a special line in the budget in order to enable the Commission to carry out studies in this area. We should be able to submit this programme to Parliament and to the Council during 1984.

These then are the Commission's views, and it hopes that this research proposal will suffer no further delay, so that the scientific potential of the Member States is not left lying idle and so that work on this matter can be got off the ground early in 1984.

President. — The debate is closed.

*Vote*¹*After the vote on all the amendments*

Mr Gautier (S), rapporteur. — (DE) Mr President, I had no desire to have recourse to the procedure laid down in Rules following the Commission's statement; I simply wish to point out to the Commission that Parliament is an arm of the budgetary authority where this part is concerned and I ask the Commission to reconsider its position.

4. Food aid

President. — The next item is the proposal from the Commission to the Council for a regulation laying down implementing rules on food aid policy and management (Doc. 1-60/83).

Mr Poniatowski (L), chairman of the Committee on Development and Cooperation. — (FR) Ladies and gentlemen, for the third time the Council has invoked urgent procedure to request the European Parliament to deliver its opinion on two proposals for regulations applying the framework regulation on the management of food aid.

During the debates at the May and June part-sessions, the European Parliament clearly pointed out to the Council why it could not take a position on the text applying a framework regulation whose validity it formerly contested and which called into question Parliament's budgetary powers.

We cannot allow Parliament's powers to be nibbled away like that. The European Parliament's position was restated in a letter of 8 May from Mr Lange and myself to Mr Dankert. I shall not go into the

substance of the matter again but shall simply recall that the framework regulation, drawn up unilaterally and without consultation by the Council on 3 December 1982, interferes with the budgetary powers of the European Parliament. At its meeting of 5 July 1983, the Committee on Development and Cooperation re-examined this problem, particularly in the light of a letter of 30 June 1983 from the President of the Council.

At the end of this debate, our committee will confirm its initial position; its opinion is as follows: first, the Council and the Commission should do everything possible to ensure that urgent food aid is delivered to disaster-stricken populations. Secondly, the European Parliament cannot validly deliver an opinion on the two proposals for regulations in question: it is difficult to see how this House could deprive itself of part of its powers.

Moreover, our committee does not understand why, from the very beginning of this affair, the Council has refused to observe the correct procedures. For these reasons it requests that it be referred back to the responsible committees and those which should be asked for their opinion so that the legal aspect of this question can be finally settled, without, however, delaying effective delivery of urgent food aid to the disaster-stricken populations through this consultation.

Mr President, this is the request for referral to Committee which I submit to the House.

Mr C. Jackson (ED). — I wonder if Mr Poniatowski would agree that before formally placing his request for referral back to committee, we might have a short debate in the House on the substance of the request. May I, through you Mr President, put that request to Mr Poniatowski — that we have a short debate, followed by the vote on his request for referral back to committee?

President. — I must say that we have enough problems as it is with the agenda. If there is a request for referral to committee, we shall vote on it immediately.

Mrs Le Roux (COM). — (FR) Mr President, before we vote I should like to have an assurance that the decision will not delay the food aid.

President. — I cannot give you that assurance.

Mr Cohen (S). — (NL) Mr President, I wish to support the request by Mr Poniatowski. At the beginning of this week I already had occasion to speak with some indignation about the attitude of the Council, which repeatedly asked for urgency, and that is why we are still concerned with this matter, on Friday morning, at this late hour. It is quite unnecessary, because we have already said — and not once but twice — that we cannot agree to what the Council is asking of us.

¹ See Annex.

Cohen

At the same time I can confirm — and this is a reply to the point which Mrs Le Roux has just raised — that there is no problem here. Even if Parliament does not give a formal opinion, this does not mean that the Council need do nothing to implement the food aid programmes. The Council must certainly do that. I do not know whether it will do so today or not before Monday but at any rate food aid will be supplied where it is needed. We merely wish to reserve the right to fight for our rights and this we shall do by ensuring that this matter comes once again before the relevant committees, namely the Committee on Development and Cooperation, the Committee on Budgets and perhaps even before other committees such as the Legal Affairs Committee, which must also be permitted to air its opinions. But it is clear that what is at stake here are fundamental rights of this Parliament which are being placed in the balance by the Council and Commission. We cannot accept this, we shall therefore be giving no opinion, the programmes will be implemented, but we shall make sure that this legal, institutional and political fight will be waged at another level. Consequently, I am in favour of the request by Mr Poniatowski.

(Parliament approved the request for referral)

5. *Financial regulation of 21 December 1977* (continuation)

President. — The next item is the continuation of the debate on the report by Mr Simonnet (Doc. 1-434/83)¹.

Mr Lange (S), chairman of the Committee on Budgets. — *(DE)* Mr President, as chairman of the Committee on Budgets I should like to make a few comments on the way in which Parliament deals with important questions affecting it. For all practical purposes we have been messing about with the Simonnet report since Thursday — forgive me for putting it so crudely. This kind of 'salami-tactic' is quite intolerable. In addition, we had the introduction yesterday, then the committee asked for its opinion gave its views, the Commissioner spoke and since he has other obligations, it is quite impossible to discuss it with him. This House has got itself into this mess. Because of the way it deals with such matters this House is gradually squandering away two of our privileges, namely, its budgetary rights and its power to determine financial policy. You have seen how, day after day, this item was shifted to the following day's agenda until late into the night — right up until the very last day of the part-session when attendance is in doubt... yes, indeed, it can be doubtful if somebody takes it into his head to ask that the existence of a quorum be established.

¹ See Debates of the previous day.

In future, when drawing up the agenda, the Bureau should ensure that items which have a similar subject matter should be taken together. How are we going to be able to stand up to the Commission and to the Council? What kind of nonsense is this? Urgent debates are being shoved in! The Council is waiting as urgently on Parliament's opinion on the Financial Regulation.

On 30 June last year an agreement was reached between the three institutions which explicitly insisted on the need to adopt the revised Financial Regulation as quickly as possible. Basically, Parliament is causing a scandal where its own obligations and its own rights are concerned. At the same time it is undermining its own credibility since it is not taking itself seriously by behaving in this way.

Mr President, these remarks are also addressed to the Bureau in the hope that such a procedure will not occur again. This postponement and everything connected with it make us look ridiculous. Nobody takes us seriously any more.

President. — Mr Lange, thank you for your contribution. You have appealed to the House, and I can only concur with you in this. We must really give some thought — and in this connection I mean to forward your observations to the Group chairmen — to the amount of time we spend on unproductive interventions including explanations of vote, which can also be submitted in writing. In this way we could perhaps work more productively.

Furthermore, I believe that we could all do with a holiday. This morning the Bureau was at various times not only criticized but actually attacked. I want to refute these attacks most energetically. We have before us the Council's urgency requests. On top of that we have the urgencies decided by Parliament. If we place these on the agenda for Friday, we must also make sure that they can be taken. We must therefore put them in first place. Our time is limited, we cannot sit here for ever. Besides, I can assure you that the enlarged Bureau always does the best it can to bring together on the agenda what belongs together.

Mr Seeler (S). — *(DE)* Mr President, ladies and gentlemen, I can associate myself fully with what Mr Lange has said since the Financial Regulation is an important matter where our work is concerned. The Financial Regulation is in a certain sense the instrument for organizing our work and the better the instrument for organizing our work the better we can carry out our work. The rapporteur, Mr Simonnet, has done an excellent job of work. I should like to thank him for having dealt with this difficult problem with circumspection, care and expertise.

(Applause)

Seeler

My group will vote for the proposed changes in the Financial Regulation and for most of the amendments. I am saying this to prevent the few critical remarks which I have to make from being misinterpreted. My first comment concerns the provisions in the Financial Regulation governing the case where a new budget has been adopted at the beginning of a budgetary year. The new Financial Regulation improves the provisions governing this case but at the same time it confines itself to stating that the system of provisional twelfths should not run for more than three months. There is no mention whatsoever of the consequence of this statement such as that at the end of these only those payments may be made which are required by law or by the Treaties.

I feel that the provisions governing the whole question of transferable appropriations, i.e. use of funds earmarked in the budget for specific payments for other payments is problematical. I feel that the arrangements in Article 21 go much too far. In practice this provision permits unlimited transfers within each individual budget. It should be borne in mind that, in this way, the legislative will of the budgetary authority as laid down in the budget can be completely changed. As a result, Parliament's budgetary powers will also be weakened. For example, it is conceivable that funds earmarked for the purchase of motor vehicles could be transferred to pay for missions. It would have been better if the budget itself stipulated which chapters and articles could be used interchangeably to cover expenditure, i.e. between which chapters and articles transfers could be made, and only through that specific organ. All other transfers of funds such as those involved in the use of savings to cover unforeseen increases in expenditure would be exclusively a matter for the budgetary authorities. I am not overlooking the fact that a step in this direction has been taken in Article 12 (3), but it does not go far enough.

The arrangements for freezing budgetary payments by the budgetary authorities are still complicated. Formerly and, indeed, in future, blocked funds will be transferred to Chapter 100 and then where appropriate transferred back to other chapters through a complicated procedure. It would have made more sense if a blocking note were placed on certain chapters or titles which could then be removed either by the budgetary authority or the Committee on Budgets when the required information was provided or the specific conditions fulfilled. That would have made the work easier.

My final comment concerns the reserve funds and the financing of unforeseen or unforeseeable expenditure. The problem of over-spending has to be dealt with every time the budgetary exercise is completed. Price increases, increased building costs and the like are unavoidable in the course of a financial year. Parlia-

ment also needs an overall view to control the management of the budget. On the other hand, it should not have to deal with trifles. Currently this problem is dealt with through the power to make unlimited — if I may call it that — transfers of appropriations. It seems to me logical that the individual organs, in particular the Commission, should have the right to overdraw expenditure up to a certain percentage from a budgetary reserve. Only when this overdraft exceeds the predetermined percentage would the budgetary authorities be required to decide on an increase of the corresponding basis of expenditure, this is particularly important to enable them to safeguard their budgetary powers.

Ladies and gentlemen, I hope that these few comments have made it clear that the Financial Regulation is an important instrument for our work. That we should give it our closest attention, and I can again repeat what Mr Lange has said, namely the way in which we deal with this matter this week was not appropriate. On behalf of my group I would ask you to vote for the Financial Regulation as it has been presented to you.

(Applause)

Mr Notenboom (PPE). — *(NL)* Once again the Bureau has managed to place a budgetary subject on the agenda in such a position that a proper debate is not possible and a dialogue with Commissioner Tugendhat, who has come here especially from Brussels, is out of the question.

Mr President, the Parliament cannot on the one hand demand more powers and make great efforts to that end, and on the other hand deal so thoughtlessly with matters which directly affect its own powers. But in order to understand this, we would have to go into the matter in some depth. Or do we have to bring in some experts from outside, in order to recognize the importance of a problem? The urgency requested by the Council took only five minutes and the Poniatowski item was, correctly, on the agenda. It was quite properly on the agenda. I can accept a number of the arguments in your defence of our colleague Mr Lange, since you refer to group chairmen who share in the guilt, but as for the rest the Bureau would do well to consider which items are really important and which items are merely good for a single day's headlines.

Mr President, our friend Mr Simonnet has been engaged as rapporteur on this extremely complicated matter for nearly two and a half years. I mention this period of time not so as to suggest that he is lacking in understanding or that he is taking a long time; on the contrary, he has been extremely lucid. This delay is attributable to us and to the fact that we in the Committee on Budgets have had so much other work to do and to the fact that so many people have always insisted on having their say on minute trivia. I remember very well how some seven or eight years

Notenboom

ago, Mr Simonnet's predecessor, Mr Michael Shaw, was rapporteur for the Financial Regulation and how he did outstanding work when he was in the Committee on Budgets. But now we are dealing with a new Financial Regulation and this means, ladies and gentlemen, that the subject matter of the Financial Regulation has to be reviewed from time to time.

We are always coming across cases or situations for which no provision has been made and in respect to which, as Mr Tugendhat said yesterday, there is a difference of interpretation which can give rise to much prejudice. Consequently, these matters need to be reviewed from time to time. It is a European accountancy law which, as in other countries, requires regular review. Such a law, such a Financial Regulation, must be clear, without contradictions and uncomplicated and must allow for sound budgetary preparation, implementation and control. Consequently we should not be tempted into wanting to go into every single detail. As Mr Simonnet said yesterday and Mr Seeler and Mr Lange this morning, a Financial Regulation must clearly establish the responsibilities of the Council, Commission and Parliament and within the institutions *inter se* the responsibilities of those which are concerned with financial policy.

This then is the function of the accountancy law, within whose framework the role and responsibilities of Parliament — as I said at the beginning of my strictures — are of fundamental importance. We must be extremely careful, in going along with proposals for simplification, to which we can have no objections, not to give away powers which we cannot afford to lose since the only powers we now possess to any real extent are in the budgetary field — we have no legislative powers.

If we had more extensive parliamentary powers in the area of legislation, then we could go further towards streamlining in the context of the Financial Regulation and give up some responsibilities in that area. Now one cannot expect a Parliament to sacrifice powers in relation to the Financial Regulation, where we have so few as it is, especially as we have emphasized over the years that we could indirectly influence legislation by means of these powers. So we cannot give ground on this and, should this give rise to complications here and there, then we shall just have to put up with them.

On behalf of our Group, I should like to thank very warmly our friend Professor Simonnet — this does not happen too often — as have other groups. Originally our positions were not very close, but that is certainly no scandal. We have seen that French constitutional law does not run on altogether parallel lines with its European counterparts, but when Mr Simonnet in discussion with others, and even with members of his own group, ascertained the opinion of the majority, he very loyally put himself at the service

of that majority and it is to him that thanks are due for this considerable work — he is not responsible for its having taken such a long time. Especially as Mr Gautier found himself in a difficult position since the Committee on Budgets and the Committee on Budgetary Control are naturally related committees with a joint secretariat. On the other hand there are of course control aspects in which there are still a few points of difference outstanding on which the plenary has to decide. There is no hostility, but merely instances where the emphasis is slightly different between one committee and the other.

I must also express many thanks to Mr Tugendhat's officials who, during long hours of discussion, have worked with our rapporteur, our specialists and the committees and who greatly respect the democratic wishes of Parliament, although there are one or two things that could be said about the speech by Mr Tugendhat. For the moment, we cannot go on having discussions with him — this is very serious in my opinion — but when he says for instance: all right, if you are going to change the formulations in respect of payment appropriations and authorizations — which is quite proper and in which we shall, of course, continue to support Mr Simonnet — then you are entering into contradiction with the formulations contained in the statement by the three Presidents on 30 June 1982, well, Mr Commissioner, you who are representing Mr Tugendhat here, this is just absurd. An agreement between three Presidents does not properly extend beyond the Financial Regulation, much less beyond a treaty; the terminology used must be adapted to a possible new text of the regulation. This is of course obvious, even to those who are not lawyers. On a few other points I feel that the Commissioner yesterday came up with some pretty far-fetched arguments to justify his refusal of some of our proposals.

As for the rest, Commissioner Tugendhat gave a very interesting speech which is worth reading and which points to what we have actually been doing over the years and to the large number of amendments we have introduced, most of which have been acceptable to the Commission.

One last point on which we cannot agree with the Commissioner is that of the system of provisional twelfths. The rejection of the budget must cause pain, though the power we have held in reserve and the pain we must not water down even if it hurts ourselves; even though we tried this out in 1980, we must not move away from this principle.

Rejection is an important instrument at Parliament's disposal, a great prerogative, and we must not make light of the consequences that flow from it; that is no doubt what the Commissioner wants, but that is not what we want. These are just a few instances which seem to point pretty strongly to the need for a dialogue.

Notenboom

We shall support virtually all of the Committee on Budgets amendments, together with a large number from Mr Gautier and a few from Mr Kellett-Bowman, because he takes up the existing demands of the Court of Auditors. I have to thank this institution very warmly — six years ago in Michael Shaw's time it was not of course in existence — but the Court of Auditors does exist now and it has delivered a great number of important and useful opinions, some of which we have taken over and Mr Kellett-Bowman is now recommending that we take over more of them.

We hope that a reasonable resolution will emerge from this and that following upon the work of the Commission we can enter into consultations with the Council should we not find ourselves in agreement so that before the end of this parliamentary term we can have a new Financial Regulation.

(Applause)

Mr Edward Kellett-Bowman (ED). — Mr President, Parliament is in danger of finding itself in the Guinness Book of Records! Throughout history the traditional role of free parliaments has been to strengthen their control over the executive. On behalf of the people, they have always tried to keep a hand on the purse-strings, because in a democracy money is the sinews of power.

Today this Parliament is trying to give up some of its control, thus taking a backward step in the constitutional position it holds. Here I agree with Mr Notenboom. The Treaties form the framework of laws, and it is left to Article 209 to set up the Financial Regulation and put flesh on the skeleton of lofty ideals. Thus the Financial Regulation is a codification of the law. Below this we have the implementing rules, and beneath that the internal rules are put into force by each institution for the implementation of its own budget.

The Financial Regulation provides for a periodic re-examination of the Financial Regulation itself every three years. This was last done by Michael Shaw in 1977. Over the last four years we in the Committee on Budgetary Control have noticed weaknesses which need to be remedied and we looked to the present review to set things right. Now how do we go about it? First, to conform with the Treaty we ask the Commission — in almost comic opera style — to produce a draft of rules with which to control itself. Having read Mr Strasser's observation in *Europe Opinion* that the Commission is the most controlled public body in the world, I think we should look at their recommendations with the greatest suspicion.

What have we done? The existing Financial Regulation requires adjustment rather than the retrograde recommendations presented here. In the control of budget transfers, clearly there is an important part to play. It is no good having the power to fix the budget if Parliament then makes it easier for the Commission

to please itself by extending powers to transfer funds. So, in the face of all their pleas, there is Amendment No 107 seeking to restore Article 21 with the 1977 limits on transfers. Colleagues like Mr Lange, Mr Aigner and Mr Notenboom will remember that Article 21 was itself a gigantic step forward for Parliament in 1977.

Parliament has the important constitutional right to reject or, more properly, fail to approve the budget of the Communities. As in 1980 the Regulation provided for the dreaded twelfths. These were inconvenient and properly so. A failed budget should be noticed. The Committee on Budgets' recommendation proposes to ease the inconvenience. Therefore, we have put down Amendment No 102 to adjust the balance.

Over the years the role of Financial Controller has needed overhaul. It is a hybrid system — part French, part German — and since its introduction the Court of Auditors has been set up. So there really *is* a need for change in the Financial Controller's area. I am afraid I have to say that the rapporteur flatly refused to reconsider the role of the Financial Controller. So we find Amendments Nos 105 and 109 seeking to try and put this right.

Parliament and the Community rely on the Court of Auditors to help in the task of controlling the growing and increasingly expensive Community. It is in the best position to advise as to how the budget may be best controlled. Many of its recommendations have been ignored and so we have put down several amendments to make use of its helpful suggestions. In its annual report the Court has at present the right to have the last word after the published replies to its comments have been made by the institutions. This right has been implicitly excluded by the rapporteur's recommendations. For that reason Amendment No 115 specifically and explicitly seeks to restore that right.

Mr President, this revision has taken many months, and quite ridiculously the text was not put on a word processor. As a result revised texts have not been made available as they should have been. The final text, as I said last Monday, the definitive language versions, were not available to Members until Monday of this week. They were, I am told, available in the Publications Office last Tuesday, but they did not arrive in Strasbourg until Thursday afternoon. The procedure has been so rushed that only one group has been able to put down amendments, and this had to be done by using an earlier text, not the final one. This indecent haste on such an important constitutional matter is no credit to this House, and thrusting this weighty document on the House at short notice is unwise.

How many copies of the Regulation we seek to amend are in the hemicycle? I cannot see anybody waving one about. How many Members have had time

Mr Kellett-Bowman

to give full consideration to it? Ideally a constitutional text should be one on which there is general agreement before it comes before the plenary sitting. Yet the Committee on Budgetary Control, which should perhaps have been the committee *au fond* in this matter, has found it necessary to put down amendments. I commend Mr Gouthier's amendments on behalf of the Committee on Budgetary Control to the House.

Mr President, if all fails we may have to leave it to the Council to bring balance into this revision. In other words, we may have to ask the Council to save Parliament from itself. I appeal to this House, Mr President — although to some extent I feel as if I am praying in a private chapel — to bring amendments to this report. I appeal to the House, not as an EDG Member, because it is not a political matter, not as a British Member, because it is not a chauvinistic matter but as a parliamentarian who has only the best interests of the House at heart.

(Applause from the right)

Mr Konrad Schön (PPE). — *(DE)* Mr President, ladies and gentlemen, I would like to associate myself with the criticisms made by the previous speaker, but also before that by my friend Harry Notenboom. There are very few areas in which Parliament has any real powers, and I do not think it is a good thing that this debate on, if you like, an internal constitution, i.e. on our financial regulation, should be held on a Friday morning immediately before the beginning of the summer recess. Mr President, I would ask you to convey these remarks to the Bureau.

Since the previous speakers have already covered all the main points, there are only two things to which I should like to direct your attention, and the first of these is the problem of the transfer of appropriations. From our national parliaments we are well acquainted with the idea of reciprocal security. I can entirely understand that the Commission, in order to be more flexible, would dearly love to avail itself of this instrument. It is obvious that within any chapter of the budget Parliament can determine where there is sound collateral and where there is not. From the point of view of budgetary control this would make it possible to carry out really effective checks. However, a majority in my group — and here I would go along with what Mr Seeler said — believes that the procedure we have had up to now has strengthened enormously our powers of control, particularly with regard to information on the policy that the Commission intends to put into effect with the help of the transfer of appropriations.

My question to the House therefore is whether we should avail ourselves of this instrument and whether possibly the determination by Parliament of reciprocal security is not sufficient to enable these checks to be

carried out effectively. We have discussed this matter in the Committee on Budgetary Control and we have come to the conclusion that so far not a single policy, action or measure on the part of the Commission has had to be turned down by reason of the fact that the Committee on Budgetary Control, or Parliament itself, did not make available to the Commission in good time the required transfers of appropriations, even though I would also agree that the number of transfers of appropriations has increased to an extraordinary degree in recent times. Requests for transfers have been mounting continually.

In our group therefore we are predominantly of the opinion, though we do not make a dogma of it, that we should stick with the procedure that we have had so far, in order to extend and utilize to the full Parliament's power of control — this is obviously something that will presuppose prompt and unremitting hard work on the part of the Committee on Budgetary Control — particularly with regard to the information that we need in order to be able to keep a check on the Commission's policy with regard to the budget.

The second point that I should like to make very briefly here concerns the discharge procedure. This is also a very important aspect of the whole matter. As you know, our Parliament has the right to grant a discharge to the Community institutions. We would recommend that the amendments tabled by the Committee on Budgetary Control, particularly to Articles 73, 74 and 77, should be adopted by the House.

I can understand that the Commission would like to see the deadlines brought forward, so that the debate on the discharge and also the decision to grant a discharge would be speeded up. This would apply also naturally to a refusal to grant a discharge; that would probably be the most pressing matter of all. Bringing forward the deadlines and speeding up the procedure must not, of course, mean taking any shortcuts through a thorough consideration and preparation of the decision to grant a discharge. We can agree to these deadlines being brought forward only if we are in a position to carry out the discharge procedure and prepare the decision properly from a purely technical point of view, by which I mean that the data put before us, particularly the documents we receive from the Court of Auditors, must be as valid and as up to date as possible. My group recommends to the House therefore these amendments that have been tabled by the Committee on Budgetary Control. I feel that this is a point that deserves our very closest attention.

In conclusion I should like to thank our esteemed colleague, Mr Simonnet, for his painstaking hard work. I would have liked if we could perhaps have made some of the points more intelligible, that is to say, more intelligible for those colleagues who do not have an opportunity to go into the Financial Regulation and related questions in detail.

Konrad Schön

I would, however, earnestly urge those colleagues who are still present to read the financial regulation, because as well as setting out the agreements, it also outlines the powers of this Parliament, and the powers of this Parliament will stand or fall by the way in which this financial regulation is developed in the future.

President. — The debate is closed.

Mr Van Minnen (S). — Mr President, in order to dispose of the doubt just raised by Mr Lange I should like to ask you to establish whether a quorum is present.

(More than nine Members rose)

President. — I now put to the vote Amendment No 1 to determine whether a quorum is present.

(The vote was taken)

I note that a quorum is not present. I shall therefore hold over the vote until the next part-session.

Mr Simonnet (PPE), rapporteur. — *(FR)* Mr President, if I have understood the matter rightly, there are not enough Members in this House to take any decisions, but there are enough here to speak. It follows that we will not be able to vote shortly on the van Minnen report; in fact, we will not be able to vote on any other report. All we can do is talk and take no decisions, which means that we are becoming a Consultative Assembly which takes no decisions.

I myself would like to make the same request as Mr van Minnen has made just now. When his speech is finished, I should like to ask that a quorum be established for each report that is to be voted on this morning.

President. — We take note of your statement, Mr Simonnet. You will have to make a request each time because in the meantime the number of Members present can change.

6. Visits to the GDR

President. — The next item is the report by Mr Van Minnen, drawn up on behalf of the Political Affairs Committee, on the increase in the minimum exchange requirements for visits to the German Democratic Republic (GDR) (Doc. 1-445/83).

Mr Van Minnen (S), rapporteur. — *(NL)* Mr President, the Simonnet sympathizers thought that this subject was not important enough to be taken now; but we have been waiting to take this report since yesterday afternoon, as scheduled and as fixed by the plenary on Monday.

(Mr Herman rose to interrupt the work of the television crew who were filming the speaker)

This House should be consistent, and that includes Mr Herman.

The present report has no ordinary background. This is the first time our Parliament has concerned itself with the GDR — a State to which we are bound by no agreement, which does not even recognize our Community and we should certainly not have raised the issue of a quorum on this subject.

This report should not really occasion so much excitement, since we were able to arrive at a consensus in the Political Affairs Committee and it would be a good thing if it could be accepted by the plenary as well. This too is a report in which money is involved, as was our last item on the agenda, but God knows, it is not a report on financial questions. This report concerns a border area of our Community, but it also impinges on the borders of our range of influence. It is true we had to wait quite some time for it, but what proves itself in the long term turns out to be good. I must, however, make it clear that no delaying tactics of any kind have been pursued here; we have simply worked through this report very carefully.

The raising of the minimum exchange rates for visits to the GDR is not simply an all-German affair, but a European matter, because this is a question of free movement and human rights, that is to say, a violation of both the letter and the spirit of the Final Act of Helsinki. If the Community is met by the GDR with complete silence, should we also be silent? A Parliament which rightly concerns itself with human rights throughout the world when things of this kind are happening on the borders of the European Community.

I drew up my report after a fact-finding mission to West Berlin and Bonn. In my capacity as rapporteur, I waited in vain for the chance to hold talks with the GDR authorities. Unhappily I had to record in my report that this was not possible, that the authorities of the GDR did not respond in any way, neither to the letters of the Political Affairs Committee nor to those of our Parliament's Bureau.

In my report I made it clear that the socially disadvantaged should be the focus of attention of the European Parliament rather than the business community. The categories that are affected here are the oldest citizens, young people, large families and all those who wish to travel to the GDR on family visits or to develop human contacts. One is therefore justified in asking how a 'workers' government' has the nerve to deny visiting facilities to precisely those groups!

The motion for a resolution in the report should thus not be seen as a mere declaration. It raises the question why the GDR should insist on compulsory exchange for such groups, who are not in a position to raise the necessary money. It is precisely when one is

Van Minnen

advocating a policy of small steps that one has to stress that the raising of the compulsory exchange rate by the GDR is a huge step backwards!

(Applause)

Unfortunately, there are not too many opportunities for the European Community to influence the policy of the GDR. Consequently, should the question of compulsory exchange not be resolved along the lines suggested in the report, this problem must be submitted in appropriate form to international forums such as the ECSC Conference in Madrid, for example.

For more than 20 years compulsory exchange has survived every conceivable stage of development in political relations between the Federal Republic of Germany and the German Democratic Republic. It first became a bone of contention when the GDR, without warning, raised the minimum exchange rates from DM 13 per person to DM 25 i.e. almost doubling it. It would be a great day for Europe — and this was the reason for the motion for a resolution — if it could be seen that the European Parliament had made some contribution towards overcoming border restrictions and the genuine barriers between people in Europe. It is in this spirit that I ask you to adopt my report with a large majority.

(Applause)

IN THE CHAIR MR LALOR

Vice-President

Mr Sieglerschmidt (S). — *(DE)* Mr President, ladies and gentlemen, on behalf of the Socialist Group I should also like to stress that we are not dealing here simply with internal German quarrels but with a matter of European importance, even if one may perhaps question the wisdom of so many groups making a German Member their spokesman on this matter. It is a European matter.

Mandatory currency exchange enables countries with weaker currencies to acquire money in stronger currencies. It certainly does not promote free travel between the signatory States of the Final Act of Helsinki. Such measures may perhaps still be justified within certain limits where tourist travel is concerned, but this latter is generally not for the purpose of visiting relatives and so on, for which one also needs money. It is true that one must pay to enter many countries. It is quite different, however, with journeys across the borders between the two German States. Here we are talking mainly about visits to relatives and friends; the human personal element is the important one here. Thanks to the Berlin Agreement and the Basic Treaty between the German Democratic Republic and the Federal German Republic, there is a very small number of visitors from East to West, but the great bulk of contacts between the two parts of Germany is in the opposite direction.

All this actually caused some problems for the political leadership of the GDR, because the two agree-

ments I have already mentioned resulted in a considerable increase in the number of visitors to the West, as the formalities had been made easier. For the political leadership in that country it makes a considerable difference whether over a given period 100 000 or 50 000 people sit down to have coffee with their relatives and friends, even if they speak about nothing more than the last holiday trip or the purchase of their new car. This all seems very unpolitical, but for the leaders of the GDR it is a political factor. Internal security, as they understand it, looms just as large in their eyes as their greed for foreign currency. That is why the action they took in October 1980 was an ideal solution, as far as the GDR leadership was concerned. It meant that the number of visitors to the GDR and East Berlin fell by one-third and that they still brought in considerably more foreign currency with them. I will not speak here about the visits that my wife and I make to relatives in East Berlin, which now cost us 50 DM instead of 13 DM; that will certainly not drive me into the poor house. However, it is a different matter when a worker's family with two children visit the granny in East Berlin and have to pay 100 DM, none of which they will need over there because they have been invited. There is the workers' and peasants' republic for you!

Mandatory currency exchange in the case of children and pensioners is something therefore that the Socialist Group finds particularly outrageous. People that can do something like that and still call themselves Socialists are really only wolves in sheep's clothing.

We appeal to the political leaders of the GDR at least to abandon in the near future this unsocial extortion from poorer people. It is to the credit of all non-German Members of the European Parliament that they have closed ranks here in this House in showing solidarity with their German colleagues and their concern over this matter and that they have demonstrated their support for greater humanity in the relations between the two parts of Germany.

Mr Habsburg (PPE). — *(DE)* Mr President, most citizens of the Western democratic world and unfortunately also many governments have as yet failed to grasp the true nature of Soviet totalitarianism. They simply cannot understand that for Communist regimes the individual is not a person with rights in law but simply a pawn in the hands of the ruling few and that, as Lenin often put it, the lie is a normal instrument of policy. This means that promises and even solemnly signed agreements are valid for the totalitarian rulers only as long as they can be of use to them in furthering their own policies.

It is the failure, whether wittingly or unwittingly, to recognize this basic truth that has led to the downfall of every sanguine policy pursued in relation to the Communist States, and unfortunately also to many aspects of what is known as the *Ostpolitik*. The original idea was to relax the tensions that divided the two

Habsburg

German States, but all that happened was that the West made concessions for which it received no permanent concessions in return from the so-called German Democratic Republic. The true nature of this regime is revealed by the walls, minefields and barbed wire entanglements which cut not only Berlin but all Germany in two. Last week I was in Upper Franconia with some Belgian and British colleagues to visit the border area between the two zones and to study the problems. What we saw there was an enormous concentration camp, in which Honecker and his pals have locked up the entire population.

A further shocking example of this cynicism and repudiation of promises given is the manipulation of the exchange rates for the mandatory exchange of Deutschmarks, which is the subject of this motion for a resolution and Mr van Minnen's report. What we have here is a blatant attempt to make it more difficult for citizens of the Federal Republic to travel to the GDR. In particular it is intended to hamper freedom of movement for poorer people. This is entirely understandable, because it is this freedom of movement that makes for person-to-person contact, and it is in the poorer classes of society that the difference between East and West is most clearly evident. In our countries even the unemployed person has a standard of living of which the person in full employment in the Eastern European countries can hardly even dream.

In the higher income groups the position is reversed. The privileged few who enjoy the *nomenklatura* are more favourably placed in relation to the masses than the highest income groups in those States where a free market economy obtains. This manipulation for the exchange rates for mandatory currency exchange is nothing more therefore than a further device for separating the two countries, backing up the mines and the boobytraps. Furthermore, we have here a clear breach of an agreement, even though the West has already kept its part of the bargain.

This is why we call for a general revocation of this measure, because if we were to call merely for a selective change, then that would open the door to all kinds of further manipulation and would create a precedent, letting the ruling few in the East see that they are quite free, whenever it suits them, to break agreements or to evade them. For this reason the Group of the European People's Party will vote for the motion without amendment and welcomes the report, which contains a very valuable documentation on East-West relations in Germany.

(Applause)

Mr Fergusson (ED). — Mr President, I believe that this is a most important report, not just for its detail but for what it stands for. The Parliament of free Europe is here loudly and clearly condemning an odious, callous, unnecessary, wanton and bureaucratic

piece of political interference in the freedom of ordinary Europeans going about their ordinary business in their family lives.

I would sincerely like to thank Mr Van Minnen for the clarity, objectivity and firmness of his explanatory statement, uncompromising in its rejection of what the East German Government has done.

Mr Habsburg too has just pointed out this cold truth about the Socialist State — about every Communist tyranny — that whatever else it cares about it does not care about people — not even its own people. The individual there is a cypher, a pawn, a lever of policy — never the end of policy. We are told that this is a sensitive matter between East Germany and others. Of course, it is so sensitive that the East German Government could not even reply to our request for assistance. The totalitarian State despite its impersonality cannot bear to look a fool, or to be branded as lacking the common charity in whose name it claims to operate; charity especially to the old, to the young, to parents and to family life.

As Mr Van Minnen says in his explanatory statement about the right to meet your own family, it should surely be permissible to ask how a workers' government can have the nerve to deny these sections of society such an opportunity.

Now be that as it may, we do care about people. We have no choice but to declare openly and plainly our abhorrence of the steps the German so-called Democratic Republic has taken to inhibit human contact between the two Germanys and thus cynically to use the people's happiness, people's feelings, as a handle to crank up and down the temperature of East-West relations. So we press with all our moral power for these steps to be retraced.

(Applause from the right)

Mr Alavanos (COM). — *(GR)* Mr President, I shall begin with a statement. I hope the German television services will also broadcast what the Communist Group has to say. When we speak of the Federal Republic of Germany we cannot be speaking of human rights, because it is impossible to forget either the *Berufsverbot*, or the fact that 2 500 000 people are jobless in the streets, or the unacceptable situation of the *Gastarbeiter*.

I now turn to the report. The Greek Communist Party is in favour of exchanges between peoples, and in favour of any specific measure that helps such exchanges. However, it opposes any measure that on the pretext of such exchanges, tends to stifle the possibility of communication between peoples, détente, and peace. The proposed resolution and the report of the Political Affairs Committee embody one such measure, concerning which we have to make the following interrogative comments:

Alavanos

Among the multitude of tables presented to us, why did Mr Van Minnen not include a table showing the development of the purchasing power of the mark between 1964 and 1983? If he had done so his conclusions would be somewhat different.

Our second comment is that he considers this measure by the German Democratic Republic to contravene the Helsinki Agreement, and to impede free exchanges between peoples. I ask you: Why do you say nothing when the governments of Members States, for analogous reasons of currency exchange, take measures that have unfavourable effects on the movement of people? Can we maintain that when the Greek Government puts a limit on the currency that a Greek may take out it is contravening the Helsinki Agreement? Can we say that the French Government, when it takes measures connected with the movement of tourists for currency reasons that we all understand, is contravening the Helsinki Agreement? It is the reverse side of the same coin.

Thirdly, many speakers have said that this proposal will help détente, exchanges, and the like. Do you believe that acceptance of the proposal, the attempt to impose an ultimatum on a government that is not even a member of the EEC can possibly help any such thing? Do you believe the contemptuous way in which Mr Fergusson and Mr Habsburg spoke, referring to the German Democratic Republic as 'the so-called Socialist State of Germany', helps any such thing? You yourselves, by the way in which you put the matter, do not help this measure to be relaxed; on the contrary, you exploit it as an instrument of cold-war propaganda which you know is not going to deceive the people and the youth of Europe.

I think it is clear that this report has different aims. However, I wish to stress one point in the Van Minnen report, with which I agree. It says that the Swing measures in 1974 produced results, which cannot be repeated in 1983, and that is quite true.

Fellow Members, the German Democratic Republic and the other socialist countries are not what they were 20 years ago, when with your economic pressures you could, or hoped to be able to, make them pursue this or that measure. A different approach is needed, the path towards détente, peace and dialogue, which the Van Minnen report does not follow at all.

Mrs von Alemann (L). — (DE) Mr President, normally, of course, I am none too pleased to find our group, because of its size, speaking after the Communists, but on this occasion I must say I am very pleased to be following Mr Alavanos, because I must tell him that he is taking a very distorted view of things. Mr Alavanos, you cannot be serious when you say that the situation in the German Democratic Republic is comparable with that in the Federal German Republic.

(Applause)

The fact alone that you are free to say what you want here should make it clear to you that this Western democratic system, so far as freedom of expression is concerned, occupies a very different place...

(Applause)

... from that of the system you have just been defending. It is incredible that you should think of comparing the situation in the German Federal Republic and its laws governing the employment of government officials with the situation in the German Democratic Republic, where whole generations of children are not allowed to study because their fathers are, for example, in the Church. I come from the German Democratic Republic, and what you have said about the situation there is simply not true. Really, you should spend some time there.

I should like to say something about your statement that it is our fault, as Germans, that the Mark has become so strong that the GDR has to take protective measures against it. You must be joking. What you are saying is evidence that the West German economic system is the better one. That is another point you should perhaps think about.

(Applause)

The European Parliament has often taken up the defence of human rights, and we will not be prevented from dealing with the defence of human rights in the German Democratic Republic and in the Eastern bloc in general. There is no taboo on discussing this report. I think Mr Van Minnen has drawn up an excellent report whose conclusions my group at least can fully support. Because, Mr Alavanos, there is something else you must be told: of course it is an infringement of the Final Act of Helsinki, against Basket Three, if elderly people, old-age pensioners, and young people are affected by a measure that cannot be justified by monetary considerations. That is why we take up a clear stand in favour of the van Minnen report and why we want to defend the rights of citizens both within and without the Community, whatever the political régime, and will not be discouraged from doing so.

There are some further points I want to draw attention to. One of them is the very point that you, of course, did not mention, and that is that this admission charge imposed by the GDR authorities merely aggravates the absurdity of such provocative things as the Wall, the barbed wire and the ban on travel for GDR citizens, things which only curb their freedom.

Further, the exchange requirement tends to close the frontier at the very place where the Federal Government has been trying to keep it open. We in Germany are the very ones who are perpetually fighting to prevent the citizens of the German Democratic Republic from being cut off, and the result of this compulsory exchange is precisely a reduction in the crossings from one side to the other.

von Alemann

Thirdly, the Socialist State, which imprisons its own citizens, is reducing itself *ad absurdum* by taking the measures you wish to defend.

We therefore appeal to the GDR Government to revoke its numerous treaty infringements, which damage its reputation not only in the German Federal Republic but internationally. The European Community, and above all this Parliament, cannot stand by and say nothing when human rights are trodden underfoot — and that at a point where the pulse of worldwide *détente* the new *détente*, is most clearly felt. We shall vote for the report.

(Applause)

Mr Edward Kellett-Bowman (ED). — Mr President, is it in order for a Member to pull the quorum on another Member's report in order to get his own report in front of the House and grab the television? Is it courteous of a Member to present a report and then flee, presumably to the television studio below? I shall vote against the report regardless of its content.

Mr Alavanos (COM). — *(GR)* Mr President, I too would like to confirm that we are quorate, and I would also like, with this opportunity, to say to Mrs von Alemann that since Greece is in Europe, it would be as well for her to study her history, and since she said that we are speaking freely here, she ought to know ...

President. — That is not a point of order. You are making a speech.

The debate is closed.

Mr Simonnet (PPE). — *(FR)* Mr President, a short while ago I asked that it be established whether a quorum was present, as Mr van Minnen had done, with a marked lack of courtesy, in the Committee on Budgets. I now withdraw this request, because I should not like, for the sake of a procedural matter ...

(Applause)

... or a desire to repay a colleague's discourtesy, to create any false impressions on the political matter in hand, since apart from one speaker, we are unanimous in our support for the van Minnen report.

I am therefore in full agreement that we should vote on this report and, of course, on those to follow. For the other rapporteurs have not shown the same discourteous attitude towards the Committee on Budgets as Mr van Minnen has, very regrettably, shown. I have also understood the reason: the Committee on Budgets is not entitled to television coverage, although Mr van Minnen is. That, I think, is the difference.

(Applause)

Mr Alavanos (COM). — *(GR)* Mr President, I told you — perhaps you didn't hear me — that on behalf of the Communist Group we are calling for a confirmation of quorum.

(The request by Mr Alavanos was not supported by nine other Members)

Vote¹

After the explanations of vote and before the vote on the resolution as a whole

Mr Penders (PPE). — *(NL)* My anger and indignation at the behaviour of Mr van Minnen, who did not have the decency to let his train go and who in the meantime has departed, was so great that I was really on the point of not taking part in this vote. My anger is now a little abated, thanks in part to the very courteous intervention by Mr Simonnet, whom I should like to thank expressly here, and to the fact that Mr van Minnen's report is, after all, a report of the Political Affairs Committee and not his own. I shall therefore vote for this report, but I must say once again how very unseemly I found the rapporteur's behaviour.

Mr Arndt (S). — *(DE)* I have listened to the various reproaches that have been levelled against Mr van Minnen. I have just met him at the door. He learned this morning of a death in his family and therefore has to leave in a hurry. He asked me to offer you his express apologies for his conduct. He has not, that is to say, gone to a television interview but has left because of this occurrence in his family. On Mr van Minnen's behalf, I wish to offer his personal apologies to all those whom he may have angered.

(Applause)

Mr Alavanos (COM). — *(GR)* Mr President, there has been an attack against the party that I represent. Indeed, not just a plain attack, since the gentleman — I forget his name — spoke of bloodshed, murders and such like. Fortunately, of my many Greek colleagues only one, Mr. Gerokostopoulos, saw fit to applaud him. I thank my other colleagues, even those of the New Democracy, for not sharing his views. This attack is unacceptable, particularly from a British Conservative acquainted with Greece's history and with the part his country played in it. I don't want to reopen old wounds. I believe that other colleagues sitting opposite do not agree with this unacceptable statement. Here too, we see to what discussions, to what problems, to what extremes and to what comparisons the van Minnen resolution leads.

7. Convention on fishing

President — The next item is the report (Doc. 1-473/83) by Mrs Desouches, on behalf of the Committee on Agriculture on the proposal from the Commission to the Council (Doc. 1-281/83 — COM(83)191 final) for a decision on the accession to

¹ See Annex.

President

the Convention on fishing and conservation of the living resources in the Baltic Sea and the Belts as amended by the protocol of the Conference of the Representatives of the States Parties to the Convention signed in Warsaw on 11 November 1982.

Mrs Desouches (S). — (FR) As pointed out by the Commission document now before us, on the occasion of the resolution adopted in The Hague on 3 November 1976, the Council agreed that under certain circumstances the Member States of the Community would withdraw from international fishing organizations and be replaced by the Community.

The Gdansk Convention had been signed on 13 September 1973 and come force the following year, its object being to establish a system of cooperation among the countries bordering on the Baltic for conserving and increasing the living resources of the Baltic Sea and the Belts. The signatories — countries bordering on the Baltic — included Denmark and the Federal Republic of Germany, both Member States of our Community, and so the Community took certain steps to accede, as such, to this international convention. In order to enable the Community to replace these two Member States, it was necessary to amend the Convention to make it accessible to 'any intergovernmental organization for economic integration', which covers the European Economic Community. This has been done, and it is intended to complete the procedure in time for the annual session of the Gdansk Convention to be held in September 1983, when the Community will have the status of a littoral state with a fishing zone and all the ensuing rights and obligations.

The Commission therefore asks the Parliament to approve the EEC's accession to this Convention and to do so as soon as possible in view of the imminent date of the annual session, which, as I have just said, is due to take place in September.

The Committee on Agriculture has worked with quite remarkable speed in order to be able to lay this brief report before the House in time for this part-session, and all I want to do is to draw your attention to some of the ideas that were thrown up during this operation in committee. First of all, the European Community's accession to this Convention is in our view, something very much to be welcomed, particularly because it signifies a *de facto* recognition of the Community by the East-bloc countries that are signatories to the Convention. Secondly, the Committee on Agriculture, mindful of the German and Danish fishermen's interests, considers that these can be quite adequately defended by the representatives of the EEC, but insists that these fishermen, who are directly concerned, be consulted by the Commission in order that their interests may be fully taken into account. Finally, the Committee on Agriculture points out that the Conven-

tion lays down that each contracting State must take appropriate measures *vis-à-vis* both its citizens and its vessels, to ensure the proper application of its provisions, and that this may make it necessary for us to improve the Community's control mechanisms.

In conclusion, therefore, the Committee on Agriculture has signified its agreement and I urge the House to adopt this motion for a resolution today, for it is a text which has raised no serious problems, to which no amendments have been tabled and which it would be most regrettable to defer to a later occasion, since this would mean postponing for a year the Community's accession to this international convention.

(Applause from the left)

Mr von der Vring (S). — (DE) Mr President, we support this report and endorse all the arguments advanced by the rapporteur.

I want to deal briefly with just two points. It is a considerable step forward that the European Community has become a contracting party with the Eastern-bloc States and is being acknowledged as such in the sphere of trade.

Second, I would point out that this is just one instance of how, in spite of the previous decision on the van Minnen report, we envisage future cooperation with the eastern States.

(Applause from the left)

Mr Aigner (PPE). — (DE) Mr President, I have been asked by Mr Helms, who should have spoken on behalf of my group, to take his place and to add a few brief points to the observations made by the rapporteur. First of all, I should like to thank her for her work and to point out that the present protocol amending the Convention provides for the accession of international organizations.

This, of course, means a big step forward for the European Community, since the unofficial role of spokesman exercised by the Community since 1977 at conferences of the Baltic littoral States will then, after ratification by the States Parties to the Convention, including those from the Eastern bloc, be made official by international treaty. This protocol has already been ratified by Sweden, Finland, Denmark and the Federal Republic of Germany, and will certainly be accepted by the Council too, on the basis of the proposal now before us and after receiving the European Parliament's opinion.

After ratification by Poland and the Soviet Union, the Community will take over full representation of Denmark and the Federal Republic at these conferences. For the European Community, this means full membership and recognition by the East-bloc countries as a party to the Convention. Ratification of this protocol is therefore an important step forward in cooperation between the Community and the countries of the Eastern bloc.

Aigner

On behalf of the PPE Group, therefore, I welcome this development and the guarantee it offers that the Community can represent the Member States *vis-à-vis* countries of the Eastern bloc and internationally. It is a necessary step towards the European Community's international recognition and effectiveness. The Group of the European People's Party therefore supports the Commission's proposal, the protocol and the report by Mrs Desouches.

Mr Battersby (ED). — Mr President, first of all I would like to thank Mr Simmonet for the extremely gracious way in which he has allowed this debate to proceed to its conclusion and to the vote.

I remember many years ago — I think it was in 1976 or 1977 — in Warsaw when I was a member of the delegation led by Mr Gundelach to the annual meeting of the Baltic Convention, that, despite the many pressures on him as Commissioner for agriculture and fisheries, Mr Gundelach created the foundations for cooperation on fishing matters between the Community and its Baltic neighbours, especially the countries in the Eastern part of Europe. He established the foundations for cooperation between the Community, and the Soviet Union, Poland, East Germany, and so forth. It is due to the statesmanship, vision and devotion to duty of Mr Gundelach that we are today approving the Commission's proposal, closing the procedure for consultation on the accession of the Community to the Baltic Convention. I think we must never forget the great debt this Parliament owes to our old friend Mr Gundelach.

Also in this success we owe a great debt to the Commission which has worked extremely well and efficiently in seeing that his initiative achieved a successful result. I cannot emphasize enough the profound political importance of the accession — my colleagues have already underlined this — and I would like to congratulate Mrs Desouches on the clarity and conciseness of her report and also the speed with which she has acted. She has emphasized, as we did yesterday in the fisheries debate, certain principles. We must have in all these international agreements full consultation with fishermen — in this case with Denmark and Germany — we have to have effective control, we have to have full information before changes take place, not after them.

I think Mrs Desouches has done a very professional job and deserves our thanks as does the Commission. My group will be voting, I hope unanimously, in favour of this report.

Mrs Ewing (DEP). — Mr President, on behalf of my group I too would like to congratulate the rapporteur and to support this resolution.

I think I would just endorse all the things that have been said already, perhaps making one point namely,

that the northern hemisphere, so far as the harvest of the sea is concerned, has been extremely profligate.

I think the lessons are only now being learned that one in every eight fish caught in the world's oceans goes to feed the people of the USSR and that there is still a great deal of raping and pillage of this resource going on. Obviously, cooperation is necessary if we are to make a serious start in dealing with this situation, and here is exactly the kind of cooperation that we must have, because fish do not know about treaty zones when they swim.

I would also like to make my tribute to Finn Gundelach, with whom I had many a wrangle, particularly in the years between 1975 and 1979, but I would say that when he was trying to reconcile the irreconcilable in those years, he literally shortened his life by the efforts he made. On that note I would end, Mr. President.

Mr Natali, Vice-President of the Commission. — (IT) Mr President, first of all the Commission would like to thank Mrs Desouches and the Committee on Agriculture for the sympathetic and sensible approach they have taken. It has been said that this report is a marvel of speed; however, it is not only the speed but above all the excellence of the report that we particularly appreciate. The Commission would also like to thank all those Members who have taken part in the debate and has noted with particular satisfaction the welcome given to the Community's accession to this Convention.

There is no need for me to underline the political importance of this event, not only insofar as relations with the Eastern European countries are concerned but also because of the fact that it sees a recognition of the full international role of the Community itself. It was with particular emotion that we heard tribute being paid in this Chamber to our colleague and friend, Mr Gundelach, whose memory will always remain green in our midst. It was indeed through his efforts that this initiative was launched, which as I have said, is significant from the two points of view of cooperation with the Eastern world and international recognition of the Community.

With regard to some particular points that have been raised here, I should like to assure the House that I have taken note of the concern voiced with regard to fishermen from those Member States more directly involved in the Danzig Convention. I want to reassure you right now that their interests will be fully safeguarded and defended by the Community's representatives at the meetings of the signatory States.

On the implementation by the Commission of the provisions of the Convention, I should like to stress that the Community is bound to respect all obliga-

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tions undertaken by it in this matter, just as it is bound to abide by the terms of all other conventions to which it is a party. We are conscious of our responsibilities, but we are convinced that the Community enjoys all the powers required to guarantee the carrying out of all the obligations assumed by the contracting parties to this Convention.

With regard to the recommendations of the Convention itself, I would assure the House that the Commission will see to it that Parliament is informed in the proper place about the meetings of the contracting parties and about the recommendations adopted at these meetings.

President. — The debate is closed.

*Vote*¹*8. Foot and mouth disease*

President. — The next item is the report (Doc. 1-471/83), by Mr Hord, on behalf of the Committee on Agriculture, on

the proposal from the Commission to the Council (Doc. 1/649/82 — COM(82)505 final) for a directive introducing Community measures for the control of foot-and-mouth disease.

Mr Provan (ED), deputy rapporteur. — Mr President, I just wish to lay this formally before the House this morning on behalf of my colleague, Mr Hord, who unfortunately cannot be here this morning. He sends his apologies to the House.

This report is an opinion on a Commission proposal for Community action to deal with outbreaks of foot-and-mouth disease. The report calls for harmonization in the Community of disease-control measures at the highest attainable level. The Commission proposal sets out some of the measures to be taken as soon as an outbreak of disease is suspected.

The rapporteur has tabled a number of amendments to tighten up the Commission's proposals. These were basically discussed in the Committee on Agriculture; they have the approval of that committee and I will point that out during the vote, Mr President.

At the present time the UK, Ireland and Denmark have a strict slaughtering policy if an outbreak of disease occurs. It is believed that in the longer term slaughter is cheaper than vaccination, and the maintenance of a strict policy is important for those countries, especially in view of their position in international stock-trading. It is important for people on the continent also to realize that at the present time continental breeds of cattle are very often imported into Ireland or into Britain and the next generation of those breeds are then re-exported on the international

market. Thus there is an international market for, for instance the French Charolais, which would not normally be available at the present time because of the risk of foot-and-mouth disease spreading to other countries. I think it is very important, then, that at least certain parts of the Community should have the highest standards attainable. Anything that was to cause any diminution of these standards would therefore not be in the interests of anybody in the European Community.

I put the report on the floor of the House and recommend its approval.

Mrs Desouches (S). — (*FR*) On behalf of my colleague, Mr Eyraud, I should like to offer some observations on this report. Thanks to prophylactic and sanitary measures applied in each of the Member States, the epidemiological situation with regard to foot-and-mouth disease in the Community may be regarded as good. There have indeed been sporadic cases, as in the United Kingdom in 1981 and more recently in Denmark, and even if they are few, they serve to show how the virus is at once insidious and aggressive, developing by mutation in different types — O, A and C are the most common — and in various strains which, together, do not always lead to immunity. This is why certain experts doubt the efficacy of vaccination and recommend systematic slaughtering when the disease appears. For myself, I take a much less extreme view, because in France the method of vaccination has almost completely eliminated the disease, and this is more or less the same result as that produced by slaughtering in the United Kingdom and in Ireland.

In this respect, Mr Hord's report seems to me to be too British, since he recommends a harmonization of the European texts based on those in force in the United Kingdom. But what is true for an island is not necessarily true for a continent, and one cannot exclude the method of general vaccination in sufficiently broad buffer-zones in the east of the Community's territory. Consequently, Mr Eyraud has tabled a number of amendments which are entirely in line with the explanatory memorandum to the Commission's proposal for a directive.

Finally, one has to consider, in connection with foot-and-mouth disease, the problems thrown up by enlargement. Both Spain and Portugal have experienced an increase in the incidence of foot-and-mouth disease during the years 1980 and 1981, and we shall therefore probably have to ask these countries to impose the strictest possible health and prophylactic régime.

Except for a few modifications of detail, we shall be voting for the Commission's proposal for a directive, but we are particularly anxious that the amendments we have tabled to Mr Hord's report be accepted.

¹ See Annex.

Mr Clinton (PPE). — Mr President, I am sorry that Mr Hord could not be here this morning and I hope that Mr Provan will convey to him that I was very happy to compliment him on his report. He has produced a good report and hope springs eternal that more of this sort of light will come to him in the near future on a wider range of agricultural subjects.

(Laughter)

We are debating proposals from the Commission on specific measures which must be taken when an outbreak of foot-and-mouth disease occurs in the Community. Although this proposal applies to specific control measures only, we are also debating the policy for management of the disease and the effect on the beef and cattle trade. The Commission and the Council are well aware of the risks to trade if any change in the control of the disease is introduced. In fact, the Commission is currently completing a study on the implications of change in current practices in foot-and-mouth control by Denmark, Ireland and the United Kingdom for the export markets of beef and live animals.

The Commission proposals for the control of foot-and-mouth disease can only be considered as a first step towards harmonization of control measures, not to speak of elimination of the disease. The Irish attitude towards the proposal is one of guarded welcome in principle and without prejudice to the retention in Ireland of our existing system including our controls on imports of live animals and meat which are allowed under derogations from Community trading rules. As they stand, the Commission proposals are insufficient to enable us to drop these derogations.

I will not apologize when I say that I will have to spend quite a bit of my time on the situation in Ireland, because this is a case of what is good for Ireland is good for the Community as a whole. That quite often happens, in fact!

(Laughter)

We are by far the biggest exporters of cattle and beef in the Community. Livestock and livestock production account for more than 80 % of our total agricultural output. We have not had an outbreak of foot-and-mouth disease for the past 42 years. Consequently we can export cattle and beef with some advantage to third countries because of our health status. Ireland therefore should not be forced to lower its standards; forcing us to do so would be no advantage to our Community partners because of our low prices and high supply. Rather it would expose us to the risk of introducing the disease into Ireland with disastrous results for our whole economy, and may I say that we export one-third of our total production to third country areas.

The motion is in general terms acceptable to Ireland. The emphasis it lays on the need to achieve harmoni-

zation at the highest attainable levels is particularly welcome in that it effectively implies that the other Member States will have to come up to our standards. This of course, is only common sense. Any Community-wide procedure governing the control of this disease must protect a disease-free status, so the slaughter policy proposed by the Commission is acceptable to us and I have proposed an amendment to the Hord report which makes this particular point.

I have to point to the fact that there is a serious error in paragraph 1 of the explanatory statement of Mr Hord's report, where it states, and I quote: 'Significantly, the proposal does not affect existing derogations in those Member States which can point to a particularly high degree of protection from disease. Such derogations will maintain their validity until the Community-wide harmonization of disease control measures has ensured that the degree of health protection in the other Member States has reached a comparable level making derogations unnecessary.' The present derogations, may I point out, only last to the end of 1983 unless renewed before that date. When last we discussed foot-and-mouth disease, we recommended at least a three year derogation, but for some unknown reason the Commission cut this by two years. It would be simply crazy to end these derogations at the end of this year. It is something which we certainly could not risk.

I would also recommend very strongly that the Commission provide for a financial participation by the Community in the cost of the slaughter policy. Most of the countries that previously practised the vaccination system of control are now coming round fairly rapidly to the idea that they were wrong and that the cost of vaccination is enormous. More and more of them accept that the slaughter policy is the only wise policy for the Community to follow. We feel that the Commission now takes this view also. I hope that that will be the decision here today and that this report — subject to these recommendations, which I hope the Commission will accept — will be adopted.

Mr Howell (ED). — Mr President, this is a very serious matter that the House is discussing today. Here the Community can work towards greater harmonization of the rules designed to safeguard producers from a disease which is one of the most damaging and ravaging of diseases among cattle.

My group therefore views with great interest the proposals that have been brought up by the Commission and welcomes those proposals. We cannot, however, accept, as Mr Clinton has just said, any lowering of standards in any single Member State, and we admire the record of the Irish Republic in its fight against this particular disease.

We of course have to recognize the situation as it stands. We understand why some countries have

Howell

adopted a vaccination policy while others have adopted a slaughter policy; but we do suggest that the record of success in fighting this disease has been a source of great pride amongst those who have adopted a slaughter policy as against those who have adopted simply a vaccination policy.

We recognize the veterinary problems concerned. We know that there are seven known strains of foot-and-mouth disease with an almost infinite number of subvarieties. We know therefore, that there can be no long-term hope of success by simple adoption of a vaccination premium. We shall, therefore, be opposing Mr Eyraud's amendments.

Mr President, we wish to work as hard as we can to facilitate trade within the Community, and therefore support the view that any harmonization measure must lead to greater ability to trade between the nations of Europe in cattle carcasses and live cattle production. With this in mind, Mr President, we shall be voting for this motion for a resolution and urging the Commission to apply it with all possible haste and to put the matter before the Council of Ministers in the hope that it will be a step towards the harmonization of control measures for this disease.

Mr Natali, Vice-President of the Commission. — (IT) Mr President, the Commission is pleased with the generally positive opinion expressed by the European Parliament on this proposal which as has been stressed, is aimed at harmonizing control over the principal contagious diseases affecting animals with a view to facilitating trade and improving the position of the farmers.

The Commission is also appreciative of the constructive approach taken by the Committee on Agriculture in tabling some amendments to our proposal, amendments intended to spell out more clearly some of the more important principles, such as obligatory slaughter, the control of movement between the various production units and longer restocking periods for the affected areas.

I should, however, like to point out that the Commission has reservations about three of the amendments that have been tabled. The first is Amendment No 7, because in practice it does not seem advisable to establish a safety zone with a radius of 150 kilometres around the farm infected with the disease. Indeed in many cases such a safety zone could even go beyond the borders of the Member State in question.

On the other hand, the system established by the Community for the notification of contagious diseases enables the alarm signal to be sounded immediately both at national and Community level.

With regard to Amendment No 16, it seems to us rather difficult in practice to lay down an obligation to notify suspected cases of foot-and-mouth disease,

since safety measures must be taken locally, and no provision is made for any national intervention until such time as the disease has been confirmed. I must, however, add that fortunately suspected outbreaks remain for the most part unconfirmed in practice.

Finally, Amendment No 17 seeks to suppress Article 15. We feel that the suppression of this Article would be an obstacle in the way of provisional adaptation, where necessary and in entirely exceptional cases, of harmonized measures in accordance with the Community procedure envisaged for this purpose.

Subject to these reservations, Mr President, I should like once again to thank Mr Hord and Mr Provan who deputized for him, as well as the entire Committee on Agriculture, for their support for our measures to harmonize national legislations in this very sensitive area.

IN THE CHAIR: MR PFLIMLIN

Vice-President

President. — The debate is closed.

*Vote*¹

9. *Mountain and hill farming*

President. — The next item is the report by Mr Wettig, drawn up on behalf of the Committee on Budgetary Control, on the application of Council Directive No 75/268/EEC on mountain and hill farming in certain less-favoured areas (Doc. 1-444/83).

Mr Marshall (ED). — Mr President, on a point of order. Would it be in order for the House to congratulate Mrs Kellett-Bowman on her 22nd birthday, which is today?

(Laughter and applause)

President. — The Presidency associates itself with the congratulations which have just been expressed.

(Applause)

Mrs Elaine Kellett-Bowman (ED). — Mrs Kellett-Bowman thanks the House!

President. — We shall now continue with the debate.

Mr Wettig (S), rapporteur. — *(DE)* Mr President, ladies and gentlemen, we have before us a report from the Committee on Budgetary Control on the application of Council Directive 75/268/EEC, on mountain and hill farming in certain less-favoured areas, which has gone down in the Community's history as 'the hill-farming directive'. I shall begin with the question

¹ See Annex.

Wettig

the Budgetary Control Committee chose this directive as subject for a report. First of all, the immediate occasion was the special report of the Court of Auditors on the application of this directive. After discussing this report, we took the view that the results, together with certain conclusions to be drawn from them, were worth laying before the House.

The view was unanimous that the extent of expenditure on the hill-farming directive — in 1983, almost 30 % of the expenditure from the EAGGF (Guidance Section) — and also the large number of farmers who profit from it are sufficient arguments for taking a closer look at such a big item of expenditure. Today, almost 600 000 citizens of the Community, thanks to this hill-farming directive, are directly affected by Community action.

By means of direct aids to income, this directive attempts to solve problems relating to structures and incomes in certain regions that present difficulties to agriculture, and so deviates from the otherwise usual course of supporting agricultural incomes *via* the product, as under the system of market regulation. The question arises, how this system has worked and what general conclusions are to be drawn. This question is of interest for the discussion on the reform of the common agricultural policy, in which the question of direct aids to incomes in particular problematic situations continually crops up.

Among the various measures provided for in the directive, the most important is the compensatory allowance paid directly to the farmer: this accounts for the greater part of the budgetary expenditure occasioned by the hill-farming directive. Its aims are as follows: first, to raise farm incomes in these less-favoured areas; second, to maintain a certain level of population; and thirdly, to preserve, by financing the farmers, the countryside. It is especially this last point that explains the celebrity of the hill-farming directive, for this ecological consideration is a new element, a new aim, within the Community's agricultural policy.

In committee, the question how these three aims should be seen in relation to one another was the subject of much dispute, and this lies at the heart of the report now before you, since there are differences of opinion between the Commission and the Budgetary Control Committee on how these aims should be interpreted. The Commission takes the view that with the measures provided for under the directive it is scarcely possible to achieve all three aims and that really only the first of them, that relating to incomes, can be realized. On the other hand, the committee considers that closer attention should be paid to the question whether the other two aims should not be regarded as being of equal importance, and in our view the outcome of this investigation should be included in the debate on the reform of the agricultural structures policy. This is a subject that has to be raised this year

inasmuch as the old directives are due to expire at the end of the year.

The attitude of the Committee on Budgetary Control differs from that of the Committee on Agriculture, which, in its opinion, takes the view that the proper object of the directive should be to enable as many farmers as possible to benefit from the compensatory allowance. The Committee on Budgetary Control considers that justifying a directive simply by the number of beneficiaries and the extent of the benefits cannot, of course, be a central feature of Community policy; rather the effect of the measures taken must be very carefully investigated to see whether they correspond to the aims laid down in this directive. Without claiming more than is our due, we draw attention to certain problems and invite the Commission to go into them with special reference to the scientific investigations that have been made.

There are a number of other points to be made in connection with the application of the directive. It is to be regretted that the directive has not been fully implemented in all Member States: I mention only Italy as an example, which should receive roughly 20 % of the appropriations but in fact receives no more than 4 %, and improvements here have been extremely slow. Because of the large number of cases, there are faults of implementation. There are monitoring difficulties, and when the number of beneficiaries is so high a complete check is obviously impossible. Nevertheless, we are of the opinion that the checks made by the Commission should be improved, and in this connection I would add that it has always been this Parliament's conviction that the Commission must have unlimited rights of inspection capable of overcoming national resistance.

Mr Ziagas (S). — *(GR)* Mr President, the report by Mr Wettig takes a direct look at the problems raised by the application of Directive 75/268 concerning the improvement of agricultural organization in disadvantaged regions. I should like to make some comments concerning the review of the Directive and the exceedingly limited resources available for this purpose.

The organizational problems of agriculture in disadvantaged regions of the Community, and in those about to be added by the enlargement, are many and various. Thus, it is essential to improve the Directive so that it may be applied in a flexible way that takes account of the special features of the agricultural structures in the various disadvantaged regions. I agree with the report in associating the problems of agricultural structures in disadvantaged regions with the aims of our regional policy. However, this is not brought out with sufficient clarity.

The Directive, which came into force in April 1975, was mainly concerned with the payment of counterbalancing compensation, and it entirely ignored the organizational aspect, particularly in all that concerns

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measures for the development of enterprises, the support of agricultural incomes, the maintenance of the agricultural population and ecological equilibrium.

The new Directive which is to replace the one in force must take into account the following important factors :

Firstly, Greece's accession to the EEC. Greece is a country two-thirds of whose territory consists of mountainous regions, with all the characteristic problems of mountain farming and with very weak agricultural structures.

Secondly, the forthcoming enlargement towards countries with similar problems. In my opinion it is not possible, for the moment, to solve and associate the problems of the northern mountainous regions of the Community alongside those of the southern regions within the framework of this Directive. The existing structures are completely different, as indeed is the nature of the problems stemming from them. Consequently, I would propose the formulation of a special Directive concerning the southern mountainous and disadvantaged agricultural regions, because the structural and organizational differences are so pronounced that they cannot be functionally associated within the framework of a single Directive.

Mr President, our policy in the sector of agricultural structures is indissolubly linked to the more general regional policy of the Community, and I agree with the rapporteur that the new Directive will have to be more closely concerned with regional financing plans, with motives based on the special features and socio-organizational inadequacies of the various regions, so as to provide effective help with autonomous regional development.

Finally, the Directive will have to be revised in such a way that the criteria defined will respond to the acuteness of the problems in the various regions, by ensuring the appropriate intensification of the Community's participation, to facilitate in the future the correct and effective management of the Community's limited resources.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) Mr President, ladies and gentlemen, I shall confine myself to a few brief remarks. First of all, while the task of assuring parliamentary control is in any case not particularly easy, monitoring the economic efficiency and efficacy of regulations and directives is perhaps one of the hardest tasks of all. Here we have different interest-groups, we have committees covering particular sectors, we have 10 national administrations but we have no system of evaluation that really works. Precisely in view of all these things, I wish to thank warmly the rapporteur, the Committee on Agriculture and also the European Court of Auditors for resolutely tackling all these difficulties, and I consider that the rapporteur has presented us with a balanced judgement.

It is a pity that the gentlemen from the specialized committees are no longer here. Our main problem is always how we are to achieve cooperation with these committees. Our normal practice is to appoint as rapporteurs, committee members who are also on the specialized committees concerned, so as to recruit their special knowledge of the problems. As the rapporteur, Mr Wettig, knows full well — and I make no secret of the point — it may well happen that our rapporteur represents a minority in the other committee : this does not make the matter any easier though it may make it more interesting.

We had an interesting dialogue with the Commission, and I should like to mention something which was, perhaps, a little out of the ordinary. On this occasion, the directive was championed by the officials with a degree of conviction remarkable for its emotional intensity. I say this because full conviction and emotional intensity are not qualities that are always associated with officials. The effect, for us, was a refreshing one, even though the discussion was the tougher as a result.

I would sum up the work done and the dialogue with the Commission as follows — and I think the rapporteur will agree with me, even though I am speaking on behalf of my group. First of all, the directive has justified itself, but its implementation leaves room for improvement. Secondly, the inadequacy of national funds means that the directive is not implemented in all Member States to the same degree, which would be desirable. Thirdly, the aims of this directive are a mixture of various interests and considerations, and here I would underline what Mr Wettig has said while putting it from the point of view of my group :

- 1) the survival of farms in less-favoured areas should be assured where this is necessary for other reasons as well as purely agricultural considerations ;
- 2) ecologically undesirable developments should be avoided. The rapporteur has rightly pointed to the danger of conflicts arising from the fact that both interests have been incorporated in the aims of the directive ;
- 3) improvements in farm management and in the social sector — here I agree with the preceding speaker — should be achieved.

I conclude by urging the Commission to intensify its efforts to monitor the implementation of the Directive and also to aim at incorporating the policy it represents into a general policy on agricultural structures, so that we do not have just one isolated process of providing aid but something that is part of a general plan.

Once more I thank all those, including the Committee on Agriculture, who have made a contribution to this work.

Mr Battersby (ED). — Mr President, Mr Wettig's report is the result of a most useful budgetary control exercise and it illustrates once again the close links we have forged with the Court of Auditors in our control work. A great deal of thought has gone into the report, and I hope that the Commission will take account of its findings and opinions when it proceeds to the new directives which are due at the end of the year.

The report draws attention to the need, when these new directives are drawn up, to take a much more realistic approach to effective control and to give the Community teeth in the form of enforceable sanctions. We will also have to increase the number of on-the-spot checks, the incidence of them, and also their effectiveness if we are to look after taxpayers' money properly.

Moreover, when we come to the new directive or directives, the Commission must look at the possibility of producing several specific directives, rather than one pantechnicon directive which is difficult to operate.

Finally, I hope that, as a matter of principle, the Commission will keep Parliament fully in the picture at all stages of their preparatory work towards the new directives.

Mrs Ewing (DEP). — Mr President, before beginning my remarks, I should like to move that the vote should not be taken today. As the member of the area with the smallest number of human beings per square kilometre, I feel that it would be very offensive to my constituents and any other people representing disadvantaged areas if they knew how few people were in this Chamber. I think there are less than 30 Members here! I have asked the rapporteur about his view on postponing the vote — not the discussion but at least the vote — until the next part-session when, presumably, it could have a place on the agenda commensurate with its importance. We could then have a more realistic vote.

I have to oppose this resolution, not because I oppose auditing — far from it, I know it is a very unenviable task that the rapporteur was set — indeed I really agree with all the principles of strict auditing. However, I have to say that when you have a directive that works — it may be that other things would work better if we had some other tools — in an area such as mine which is particularly suitable for this directive, it does seem very silly to throw it away until we know exactly what we are getting in its place, or even to recommend that it be challenged. I am very worried about the threat to this directive contained in paragraphs 4 and 5 of the resolution. Could I add, and I am assured by letter from the Secretary of State for Scotland that this is the case — that it does not really affect the UK — because we have a double system of checking and we are confident that our records are accurate in this matter.

I am sympathetic to the problems of Member States which may not have such a good system of checking but, nevertheless, it does seem to me as though auditing has become the end instead of what it ought to be, namely, the means. I would beg this House to leave this directive alone until we get something that we know is going to be better.

On the question of population on page 16 of the explanatory statement Germany's definition of a less-favoured area requires not more than 100 inhabitants per square kilometre. In Ireland the figure is 24. Well I am just reminding you that I have 8. Man with me is a really endangered species!

On page 18, on population, it says in what I consider to be a rather arrogant way that many of the people are at least 45 years old and that nothing in this directive would influence them either to go or to stay. Well I do not see anything wrong with being 45 years old and I think that, frankly, many people would be affected, where staying or going is concerned, by this directive because they are living in a very marginal situation, perhaps quite contentedly, in that way of life which they have chosen. If it becomes any harder they will go. They will go perhaps to Glasgow or Edinburgh where their families often live. They will definitely go, so, I do not accept this kind of general statement which I think can be very wrong when it is applied to particular areas.

I take comfort in paragraph 20 which does agree that agriculture and the continuation of farming contribute to the conservation of the countryside and hence to the preservation of rural culture. Agricultural communities are stable communities. That is what we are looking for! That is what all our attempts and everything we do here are designed to achieve. Here we have got certain communities very much under threat and what we should be doing, even if the auditing is not quite tidy, is to give them every possible means to stay where they want to stay. As those of you who live in densely populated countries may not quite understand, let me spell it out to you. It is like a series of front lines so far as depopulation is concerned. Once one strip goes and becomes a very beautiful wilderness — which many of the conservationists seem to prefer to an inhabited area — the next area is under threat. It goes in my area from island to island and then affects the mainland. One glen is denuded of people, the school closes, then the same thing happens in the next one. Where do we end up? Do you want to end up with the whole of the north-west of Scotland one big wilderness where you can all go as tourists? But then there will not be any quaint natives to look at when you get there.

That is the kind of seriousness behind challenging a directive which has a very important social aspect. Bear in mind that many of these people have got to have more than one job and that this could just be the straw that breaks the camel's back.

Ewing

So I would simply say to this Parliament, hands off this directive and let us not vote in such a small House, because that would be seen by my constituents at home as a tremendous insult to everything they believe in.

Mr Protopapadakis (PPE). — *(GR)* Mr President, whenever we debate matters relating to support for disadvantaged regions, we lay another brick in the structure of European Unity.

Support by the Community for disadvantaged regions is neither an act of charity nor an obligation. It is something entirely natural if we regard the Community as a true European Union, a single body. For which healthy body will not place its stronger members at the service of the weaker ones? Will it not set its feet running to the chemist's to buy a medicine for a more sensitive organ, for example an eye that may be hurting? Of course, the resources available for supporting disadvantaged regions must be used prudently. They should not be distributed in ways that will not lead to the realization of the expected results. For this reason, the practice of auditing is praiseworthy and should be supported.

Correct auditing is a protection, not only for those who provide the finance, but for the disadvantaged regions themselves, and indeed those that are truly disadvantaged and cannot claim their own rights. However, we should take care lest the auditing be exercised sometimes with cunning motives. In other words, lest in this auditing both the Committee on Budgetary Control and the Executive Committee, which work with good intentions, should introduce into their documents certain expressions, or proceed with certain actions that may excessively highlight certain omissions for the purpose not of correcting them, but of striking at an institution. And the practice of supporting the disadvantaged regions should on no account suffer because of acts or omissions for which they are not responsible. For this reason, while I agree in general with the notion of auditing, I echo what Mrs Ewing said, since I too come from a disadvantaged region of island Greece which has also suffered in the same way, and express my concern lest during the exercise of the auditing phenomena may arise, like those I have described which might put a brake on European Union or lead to the withdrawal of certain more sensitive members from the body and to the decomposition of the body itself.

Mrs Pery (S). — *(FR)* The European policy in favour of agriculture in the disadvantaged areas must evolve. The report we are debating today makes advance possible by setting the question of agricultural structures within the framework of a regional policy. The disadvantaged mountain and hill regions are underpopulated; however, the maintenance of agricultural activity is necessary, not only to safeguard regional

economic life, employment, the right to live and work in the country, but also to ensure the preservation of the natural environment, tourist activity and even coastal protection. Farmers of the Pyrenees, in France, like those from other disadvantaged areas, are penalized by the rugged terrain which renders high milk yields impossible (for example, 4 200 kilos of milk per cow per year whereas it is more than 6 000 kilos in the better areas). These same farmers criticize the disparity in equipment. They have to use special mechanization: their tractors are more than 20 horsepower, cost 20 000 francs more, consume 3 litres more per hour and wear out more quickly. It is therefore essential to support these regions, to develop the agricultural structures policy and increase the corresponding appropriations.

The 1984 directives should emphasize two main aspects: the aggregation of aid and the greater possibility for regional initiatives. Indeed, agriculture and its environment form a whole, whether it be a matter of education, aid to farmers, handicrafts, the agro-food industry or the preservation of nature — all this is an indissoluble whole.

Furthermore, the priorities are not everywhere the same, neither the problems nor the solutions. Europe's disadvantaged regions should be able to have a say in the formulation and application of this policy, after agreement by the Commission, its supervision and that of the State concerned. Harmonization does not signify standardization of aid, from one country to another, from one mountain to another, from one farmer to another. Aggregation of aid, decentralization and supervision should make for a more efficient structural policy provided that the budgets allow for due regard for the economic plight of these areas.

Mr Provan (ED). — Mr President, firstly my group will be supporting this report of Mr Wettig's. At the same time I should also like to declare a personal interest in it because I do receive payments under Directive 268.

Mrs Ewing was quite right when she said that there are very stringent rules applied in the UK and in Scotland, especially, under this directive. However, it is because of the very great importance which we in Scotland attach to this directive, and to the hill live-stock compensatory allowance scheme associated with it, that we are most concerned at some of Mr Wettig's criticisms, which we believe to be totally unfounded. They should not lead in any way to any weakening of the financial support that is available to hill farmers through this directive.

The less-favoured areas scheme is a highly valued scheme in Scotland because of the physical handicaps which exist over the greater part of our country. They mean that it provides the only vehicle really by which many of our farmers can derive any real benefit from European Community agricultural policy. It is hardly

Provan

surprising, therefore, that any threat or implied threat to this directive and its associated compensatory allowances is viewed with great alarm by the farming community in Scotland. We would suggest that Mr Wettig's criticisms only serve to prove that perhaps he has not fully understood how great a benefit they can be to certain regions of the Community.

To describe how watertight the monitoring systems are in Scotland, I must point out to Mr Wettig that, in fact, we have an annual count on each farm before money is handed over to the farmers. Mr Wettig says in his report that a five-yearly monitoring system is not good enough. I can assure you, Mr Wettig, that in Scotland it is done on an annual basis before any cash is paid over.

It is also a well-known fact that the UK agricultural departments and our own Scottish department, in particular, administer the EEC aid to our hill farmers under the allowances scheme in a very strict manner indeed. We in Britain have had long experience of dealing with such schemes since they were operating long before we entered into the European Community.

Having said all that, I believe that certain aspects of Mr Wettig's report will not really greatly interfere with the operation of the scheme in the UK and therefore we can support the report.

Mr Clinton (PPE). — Mr President, I shall be brief, for several reasons. One is that I do not have the speaking time and the second is that I shall miss my plane if I stay on my feet too long.

I just want to say that I agree with everything that has been said, particularly by Mrs Ewing, about the matter. God knows, she comes from such an area and she has a lot of experience of the workings of this scheme.

I think the timing of this report from the Committee on Budgetary Control is extraordinary, because that committee must know that a full investigation is being made into this scheme and how it could be changed, and they have to have that done before the end of the year. I hope we shall postpone it until their findings and decisions arrive in the Parliament, because I think the scheme on the whole has worked reasonably well. It is not so easy to ensure that a scheme has the same coverage in the poorer areas of the Community and is completely satisfactory, and if a few pounds go astray here or there in those areas, it is far better that they should get it that way, in my view, than that they should be handed it as dole, as this is recommending, and so be robbed of their personal dignity. That is certainly not the right approach in my view, and I am entirely in favour of the postponement.

I should have liked to talk at some length about this because I know a good deal about it. In fact, I was president of the Council of Agricultural Ministers when it was brought in.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) Mr President, there are just a few remarks I would like to make, because I feel that some of the later speakers in our debate have been missing the point altogether. I do not believe that it can be thrown in the teeth of the Committee on Budgetary Control that it wants to sidetrack the directive or accentuate the trend towards greater concentration of rural communities or anything like that. I myself come from an area that falls completely within the field of application of the directive. I would find it a frightful thing if we were to pursue a policy that only had the effect of swelling the flight from the land. That is our main problem, after all: the conurbations are getting more crowded and the land is getting more empty. This is a trend that we have got to fight, that is quite clear!

Our job, Mr Clinton, was to examine whether the money for this purpose, which is so dear to all our hearts, is being spent as wisely as possible. And this means that we must zero in more sharply on our objectives and not water them down. Mr President, I felt that I simply had to make this clarification. If the colleagues who have spoken along these lines had been following the discussions in our committee, they would have realized that their fears were groundless.

President. — I have had a request for referral back to committee from Mrs Ewing, seconded by Mr Clinton.

(Parliament agreed to Mrs Ewing's request)

Mr Aigner (PPE). — (DE) Mr President, now that the vote has been postponed, I would request that today's sitting be closed. It is quite unacceptable that the remaining reports should be considered when we are more than likely to find ourselves in the same situation as we are now, namely, that we cannot vote. This means that we are breaking up the entire debate, and I for one would not want to be responsible for this.

(More than nine Members rose to support Mr Aigner's request)

President. — Since 10 Members have proposed that the session be adjourned, I put the proposal to the vote.

(Parliament adopted the proposal)

10. Adjournment of the session

President. — I declare the session of the European Parliament adjourned.¹

(The sitting was closed at 1.25 p.m.)

¹ Membership of committees — Motions for resolutions entered in the register under Rule 49 — Forwarding of resolutions adopted during the sitting — Deadline for tabling amendments — dates for next part-session: See Minutes.

*ANNEX**2. Votes*

The annex of the verbatim report sets out the rapporteur's opinion on the various amendments together with explanations of vote. For details of voting please refer to the Minutes.

BRØNDLUND NIELSEN REPORT (Doc. 1-472/83 'SALMON FISHING'): ADOPTED

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C. JACKSON REPORT (Doc. 1-475/83) 'MEMORANDUM ON THE COMMUNITY DEVELOPMENT POLICY': ADOPTED

The rapporteur was:

- FOR Amendments Nos 1 to 3, 5, 12 and 13;
- AGAINST Amendments Nos 4, 7 to 11.

Explanations of vote

Mr Enright (S) — Yesterday an allegation was made against the Christopher Jackson report which I must refute. Mr Cohen said that it was a Tory resolution. It is not that at all. If it were a Tory resolution, it would be even more commercial than it is at the current moment. In line with the United Kingdom's present policy, it would be talking about ensuring that aid in Kampuchea only went to Pol Pot and his cohorts, which is what is currently happening. It would be requiring that the 50 m European units of account, which are available for the fight against hunger in the world, were blocked for a considerable amount of time, thus causing the greatest difficulty to the Commission in its very efficient way of handling things in this particular case. Therefore, I regret to have to tell you — or rather I am pleased to tell you — that it has not gone as far as the Tories would have gone.

I therefore congratulate Mr Jackson on toning down what his government is doing back home at this particular moment. Nevertheless, I regret that in spite of all his hard work I cannot vote for it because it is far too commercially orientated.

Mr Seligman (ED). — While I will vote in favour of the Jackson report, I am shocked that his report and the Pisani memorandum make almost no mention of investment in energy in the Third World.

Now what is it that consumes 80% of their export earnings? It is imported oil. And what is it that causes them to be over 600 billion dollars overdrawn with the World Bank? Imported oil! What has the EEC done to reduce their dependence on imported oil? Nothing!

So, I am going to vote for the Jackson report for one reason only, and that is that he criticizes Pisani for absolutely vague proposals on investment, particularly in energy.

Mr G. Fuchs (S). — (FR) On behalf of the Socialist Group, which is unanimous, I should like to recall our position, our positive assessment of the Pisani memorandum and, in particular, of the central ideas of the memorandum, namely that Community aid must not be in future — as it has been in the past — merely an aid to projects, an aid to material works, but rather an aid to development strategies, an aid comprising not only concrete but also social, human and cultural dimensions, taking into account questions of training, the desires, wishes and aspirations of the local population concerned by any given project, in a word support for what we now call 'auto-centred development strategies', that is to say giving priority to satisfying the needs of the local population on the basis of local and national resources.

Next, I should like to point out that for these reasons, ladies and gentlemen, we shall be voting against Mr Jackson's motion of a resolution which, in analysing the Pisani memorandum, develops in actual fact ideas which, on the essential points, appear to us to go in opposite directions. The Jackson report seeks to give priority to developing the exports of the developing countries and we know, we ought to know today, that this is the surest way of maintaining their economic dependence of the past. Mr Jackson's report emphasizes the development of private investment in the developing countries. Such investment is certainly necessary but, if it is to be the exclusive concern, we know that this will lead to a situation where the profits of private firms and their logic will prevail over the logic of developing the host countries. Here too, Mr Jackson, history ought to have awakened you — and your group — to this reality.

It is not this old economic order which will enable us better than in the past to advance North-South relations and to give a greater chance to the developing countries. I am happy that the Community is starting negotiations, in particular on the Lomé Convention in September, on the basis of the Commission memorandum. I would be very sorry if a majority of this Parliament were to distort the significance of this memorandum by adopting your resolution.

Mr Vergès (COM) (in writing). — (FR) The negative vote registered by the French members of the Communist and Allies Group relates, of course, to the report presented to us and not to the memorandum which is its subject. Our vote has nothing to do with any paragraph in this report which we may find acceptable but with its underlying ideas as to the causes of, and responsibilities for, the existing under-development and the means of tackling it.

The very critical attitude taken in the report to the cooperation policy pursued over the last few decades stands in contrast to the praise that has been foolishly lavished on this policy in the past.

Today we are faced with the task of assessing the facts themselves. The ideas and recommendations put forward in the report fail to meet the 'veritable challenge' — to use the rapporteur's own words — now facing the Community and the world as a result of the deteriorating situation. We have reached turning-point in the Community's cooperation policy towards the developing countries in general and towards the ACP countries, which make up the majority of them, in particular.

Crippling debts, an unending drain on resources due to unequal terms of trade, a grave food situation, chronic under-nourishment and hunger — these are the basic facts of today, made worse by a population increase that knows no respite. The time that has been lost cannot be recovered, since all these processes are growing apace. On the other hand, public aids to development are being blocked or reduced, there is no agreement on basic products, no joint fund: these are the basic features of the *impasse*.

No coherent reply, no solution equal to the challenge, seems to us to be provided by this report. These are the reasons for our vote.

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SABLE REPORT (Doc. 1-456/83 'COMMUNITY SUGAR POLICY'): ADOPTED

The rapporteur was :

- FOR Amendments Nos 6, 9 13 ;
- AGAINST Amendments Nos 1, 2, 5, 7, 10, 11 and 12.

Explanations of vote

Mr Lomas (S). — I shall vote for this report, because it offers real solutions to the problems of cane sugar. First, it reaffirms that the Commission must continue to honour its commitments regarding the present protocol and maintain the quotas. This would mean security for the cane-sugar producers in the Third World, and it would also mean greater security for workers in EEC refineries. I make particular reference to the refinery of Tate and Lyle, which refines most of the cane-sugar imports and is situated in my own constituency in the East End of London, where there is already very high unemployment. This will help to protect jobs there.

It shows that sugar prices are depressed by the dumping of over-produced beet sugar on the world market, and it is much easier to reduce the production of beet sugar and diversify it into other products than it is to do the same with cane sugar from Third World countries.

I support the call in this report for realistic price negotiations that take into account the high cost of transporting cane sugar as compared with beet sugar grown in Europe, I also support the call for the Community to join the International Sugar Agreement.

For all these very good reasons, this report has my wholehearted support.

Mr Enright (S). — I can be equally brief by just congratulating Mr Sablé on taking account of everything that was said in committee and therefore producing a report that has received almost the unanimous support of this House.

Two points I would wish to make. Let us beware of Coca Cola moving over to the use of fructose sweeteners instead of cane sugar, because this is a threat to cane sugar just as much as sugar beet is. Secondly let us remember that the United Kingdom has increased its sugar-beet production more than any other country in the Community. We, all of us from the UK, will therefore attack the sugarbeet farmers in our constituencies — including Paul Howell.

(Laughter)

Mr Pearce (ED). — I shall vote for this resolution even though my amendment failed. What I was trying to do was to draw attention to the curious situation where some years the Community gives large quantities of cane sugar to developing countries and then other years it simply turns off the supply for no reason that has anything whatsoever to do with circumstances in those countries.

There must be some consistency in the Community's use of sugar for food aid. It is a useful tool of food aid, especially when used to encourage people in poor countries to carry out work of a communal nature, and I want to see some consistency on the Commission's part in this respect. For as long as there is a surplus of sugar in the Community, it makes far more sense to use it for this purpose than to sell it off cheap and disturb markets for producers in other parts of the world.

Mr Alavanos (COM). — *(GR)* I too will be brief. We have certain reservations concerning paragraph 16, and in particular concerning the imposition of quotas on Greece, which results in the restriction of production, reduced exporting possibilities and considerable payments from our country to the EEC, which in the last two years amounted to approximately 300 m drachmas. We believe that in imposing the quotas other criteria must be taken into account, such as the general situation of the agricultural

economy and the exporting ability of each country. Despite all this we shall vote in favour of the report because we think its posture is a positive one, and a guarantee that the sugar produced by developing countries will be absorbed, taking into account that the sugar market has been used in unacceptable ways by other powers, notably the United States. In other words, as a weapon of political pressure formerly on Cuba, today on Nicaragua, etc. For this reason, despite our reservations we shall vote in favour of the report.

Mr Kallias (PPE). — *(GR)* I shall vote in favour of the proposed resolution in Mr Sable's report because of the great importance of sugar for the countries of the ACP Agreement. However, concern for the disposal of sugar produced by Member States of the Community must take priority.

Mr Delatte (L) *(in writing)*. — *(FR)* The Committee on Development and Cooperation's report on sugar stresses the importance of our relations with the ACP countries and the need to maintain the Lomé agreement. That is the essential point and, in my view, these relations cannot be called into question. We have commitments to keep, and they must be kept.

The report also proposes a ceiling on sugar production in Europe to guarantee these commitments. An arbitrary ceiling is not acceptable; this was the purpose of Amendment No 7 which was rejected.

Why should one wish to give Europe a guilty conscience when we are the most efficient and competitive sugar producers?

Moreover, the cost to the Community budget is nil since the levies paid by European producers compensate, year in, year out for the export costs.

Only ACP sugar is a burden on the Community budget, but, I repeat, there is no question of renegeing on our commitments.

Mr President, we are all worried by the stocks which are glutting the market, but except perhaps in Europe we are incapable of estimating how much is available. The proof of this is that prices rose by 30% between April and May without any apparent reason.

If the stocks were so big, the opposite would have occurred.

Therefore we should not speak of arbitrary ceilings in this House which yesterday, in the debate on the Catherwood and Jackson reports, expressed anxiety at the growing need for food in the face of worldwide shortages.

Mr Halligan (S) *(in writing)*. — I intend to vote against this report not because of any antipathy towards the economic interests in Third World countries, but because I believe some of the analysis in this report and its attendant resolution to be defective.

It is claimed that current EEC policy poses a threat to the world sugar market and adversely affects ACP countries. This is an emotional unsubstantiated comment which is not backed up by analysis in the explanatory statement. The main factor which has disrupted the world market over the last decade or so is the decline in the demand for raw sugar, particularly within the United States, Japan and Canada. In the United States, for example, the market declined almost by a half between 1970 and 1980. This loss in market has been due mainly to an increased use of artificial and other sweeteners.

The European Community has responded to this situation by agreeing to restrict its exports to just over 5 m tonnes through a voluntary build-up of stocks. This action has not been matched by members of the International Sugar Agreement. Neither does the Community compete in the world market for raw sugar to any great extent and therefore is not a major determinant of the world sugar price. On the contrary, increased Community production and export availability has been handled by finding markets in Africa and the Middle East in countries which either do not have sufficient refining capacity to import raw sugar, or do not have refining capacity at all.

It is important that in these circumstances the Community should supply white sugar to those countries in order to meet their sugar needs.

Finally, I believe the resolution should not be supported because it seeks to commit the Community to a new International Sugar Agreement, the contents of which are as yet unknown. The EEC absence from the current sugar agreement was based on the view that its mechanisms were insufficient to manage the world sugar market. That this agreement has failed is due, not to the Community's absence but to the deficiencies within the control mechanisms of the agreement.

The Community has taken a positive attitude towards a new agreement and is seeking to improve the regulatory mechanisms. It is likely that if improvements were effected the Community would join such an agreement. But to call on the Community, as this resolution does, to accede to an agreement which has not yet even been outlined is impractical. Rather the Parliament should commit itself to saying that the Community would use its influence to improve the world market by helping to bring about an improved sugar agreement in which it would participate fully. This would presuppose conditions in the sugar agreement which have not yet been outlined. Because the Parliament has chosen not to take this course of action I am voting against the resolution in order to protect the sugar industry in Ireland.

That industry is vital in providing employment in regions which are already seriously suffering from under-employment. The jobs of many hundreds of sugar workers are already under threat in Ireland and it would be ludicrous to add to those threats on the basis of a faulty analysis of the international sugar market. The European sugar industry provides employment in both the industrial and agricultural sectors which must be protected in a proper balanced relationship between the needs of the ACP countries and the European Community. This has not yet been achieved. And is not likely to be on the basis of this report.

Mr Seligman (ED) (*in writing*). — I am shocked that Mr Sablé's report and resolution make no mention of converting surplus cane sugar into gasohol or motor fuel. He clearly has not read my report on biomass. Cane sugar is better than beet sugar for this purpose because the *bagasse* can be used for distillation fuel.

Tropical countries could not only sell gasohol abroad, as Brazil does, but also reduce their dependence on imported oil. Gasohol not only replaces oil in motor fuel, it also replaces lead as an octane booster.

If we are to subsidize alcohol from wine, why not also subsidize alcohol from sugar? Oil companies say there is no point, for it would need an area the equivalent of Benelux to produce enough sugar. Why not use the land area of the developing world?

I shall abstain, because Mr Sablé has ignored an important solution to the sugar surplus.

NARDUCCI REPORT (Doc. 1-453/83 'ACP-EEC CULTURAL COOPERATION'):
ADOPTED

The rapporteur was :

— FOR Amendment No 2.

Explanation of vote

Mr Kyrkos (COM) (*in writing*). — (*GR*) The internal Communist Party of Greece will vote in favour of Mr Narducci's report because we consider that our relations with the ACP countries should not be confined just to a narrow economic dimension. An essential integration is provided by their cultural and scientific dimension. This collaboration will only bear fruit if it aspires to the scientific and cultural development of those countries on the basis of their own moral and cultural traditions, and the development of scientific

education and research that respond to their own needs. In noting the positive contribution of Commissioner Pisani and the Commission, we stress the need to care for students coming from the ACP countries to study in countries of the Community, so as to eliminate any sort of discriminatory treatment at any level. With our vote we encourage the idea of founding a new EEC-ACP university whose faculties could be situated in various Community or ACP countries, and we think it necessary that cultural and scientific collaboration between the EEC and the ACP should be enshrined and included in the new treaty.

GAUTIER REPORT (Doc. 1-552/83 'AGRICULTURAL RESEARCH'): ADOPTED

The rapporteur was :

— FOR all amendments.

Explanation of vote

Mr Kyrkos (COM) (*in writing*). — (*GR*) We shall vote in favour of the Gautier report. However, we should like to make the following comments, which interpret it as oriented in a certain direction. The definition of common research programmes and the coordination of agricultural research are correctly included among the priorities. An increase in productivity is a greater goal to the extent that it is linked to ensuring a higher standard of living and culture for farmers, with steady markets and improved quality of the goods offered to the consumer. This increase is of special importance to Mediterranean agriculture, and is connected not only with selection of the crops and methods, but also with organizational problems whose solutions should consequently be combined with the application of Mediterranean programmes in the agricultural sector, that will tend to reduce the cost of Mediterranean products, to protect the land from a plant and animal-pathological standpoint, to increase water resources, and to improve existing, and create new types of goods that will be adapted to the demands of the market and will extend the period of production.

With our vote we urge the Commission to found a 'Study Bank' to ensure that the results of research will be circulated to institutions in the Member States for study and application.

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PROPOSAL FROM THE COMMISSION TO THE COUNCIL (Doc. 1-60/83 'FOOD AID REGULATION'): REFERRED BACK TO COMMITTEE.

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SIMONNET REPORT (Doc. 1-434/83 'FINANCIAL REGULATION OF 21 DECEMBER 1977'): HELD OVER TO THE NEXT PART-SESSION

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(VAN MINNEN REPORT (Doc. 1-445/83 'VISITS TO THE GDR'): ADOPTED

Explanations of vote

Mr Prag (ED). — I shall vote in favour of the Van Minnen report for two reasons. The first is that the imposition of the large minimum exchange requirement by the Government of the so-called German Democratic Republic for base political reasons is inhuman, unjust and contemptible. The second reason is solidarity with our German partners in the Community against this inhumanity and injustice. Solidarity is what the Community is about. These are the two reasons why I shall vote for this report and also two things I very particularly wanted to say.

Mr Moreland (ED). — I shall be supporting this resolution, and if I have any criticism, it is that it does not go far enough.

In the early 1960s the Berlin Wall showed that East Germany was a political flop. Now we see this sort of charge which underlines the fact that East Germany is not only a political flop, it is also an economic flop. Any country that wishes to introduce this kind of arrangement should be ashamed of itself.

Recently, I had the privilege of going to the East German/West German border in Bavaria, and I saw what the border was like. It is a large metal fence with barbed wire on the top. It has guns which fire shrapnel automatically along the border if any East German tries to escape. It was to my mind a picture of a gigantic Auschwitz or Dachau. It is a disgrace to the Western world that we have this on our Eastern border.

I support this resolution and I will do so warmly. But I wish to end with one word to our Greek Communist colleague. How dare he? How dare he make his remarks when many of us remember the immense cruelty which his party inflicted on the Greek people, particularly in the latter days of the last war and in the years afterwards.

(Applause — Interruptions by the Greek members of the Communist and Allies Group)

That was a disgrace, and it underlines the fact that Communism is a threat to our lives and that we must fight it where we can.

Mr Buttafuoco (NI) (in writing). — In my own name and on behalf of my colleagues on the national political Right, I wish to express my warm congratulations to Mr van Minnen on his excellent report — drawn up on behalf of the Political Affairs Committee — on the increase in the compulsory minimum requirement for visits to the German Federal Republic.

This provision is further proof — if further proof were needed — of the many shortcomings at all levels of a regime as shamefully dictatorial and anti-democratic as the Rankow regime, which, in spite of agreements and arrangements freely entered into, as clearly illustrated in the Van Minnen report, does not hesitate out of cupidity for precious currency and with the concealed intent of shielding itself from contacts with the free world, of trampling upon sacrosanct human rights: as the rapporteur indicates, a good 95% of those who visit the GDR are relatives.

It is precisely those people who are particularly affected by this measure.

In the light of the foregoing, and in full agreement with what has already been said by Mr Habsburg, I wish to express my unconditional support and that of my colleagues on the national political Right for the van Minnen resolution.

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DESOUCHES REPORT (Doc. 1-473/83 'CONVENTION ON FISHING'): ADOPTED

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HORD REPORT (Doc. 1-471/83 'FOOT AND MOUTH (DISEASE)': ADOPTED

Mr Provan, deputising for the rapporteur, was:

— FOR Amendments Nos 3, 7 to 16;

— AGAINST Amendments Nos 2, 4, 5, 17 and 18.

Explanation of vote

Mr Maher (L). — I am voting in favour of this motion for a resolution for the reasons given by Mr Clinton particularly, but also — and I am very glad to be able to say so — for the reasons advanced by Mr Howell. It is seldom that I can support Mr Howell fully in what he says. I am very pleased to do it.

I also have another reason for voting in favour that has not been mentioned. The success of the campaign in my country to keep foot-and-mouth disease at bay results directly from excellent cooperation between the veterinary services of the United Kingdom Government and the Irish Government. Were it not for the fact that this cooperation is so close and so constant and so consistent, we would not have been as successful. I would hope perhaps that in other areas we might do more and that the relations between our two countries might be happier.

Mr Marck (PPE). — *(NL)* I am sorry that I have to be rather unfriendly towards my English colleagues. In the Committee on Agriculture we tried to reach a compromise between the specific situation in the islands — here I am thinking of England and Ireland and, to a certain extent Denmark — and the mainland, where as a result of the special situation, namely the very intensive breeding of pigs, the fight against this disease is tackled in a completely different way. We reached a compromise in committee, a balanced resolution, but owing to the fortuitous attendance here at the moment, this is entirely called into question so that in fact we can only speak of a British resolution. I shall therefore vote against this resolution.

* * *

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