

Annex

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### 1977-1978 Session Report of Proceedings on 13 March 1978

Europe House, Strasbourg

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#### NOTE TO READER

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

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

*Resolutions adopted at sitting of 13 March 1978 appear in the Official Journal of the European Communities C 85 of 10. 4. 1978.*

## SITTING OF MONDAY, 13 MARCH 1978

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## IN THE CHAIR: MR COLOMBO

*President*

(The sitting was opened at 5.00 p.m.)

**President.** — The sitting is open.

1. *Resumption of the session*

**President.** — I declare resumed the session of the European Parliament adjourned on 17 February 1978.

2. *Apologies*

**President.** — Mr Pisani has sent his apologies for his inability to attend this part-session.

3. *Appointment and verification of credentials of Member of Parliament*

**President.** — On 20 December 1977 the Senate of the French Republic renewed its delegation to the European Parliament. The following Members were appointed: Mr Bouquerel, Mr Brégégère, Mr Caillavet, Mr Colin, Mr Croze, Mr Didier, Mr Durand, Mr Eberhard, Mr Mont, Mr Pintat, Mr Pisani and Mr Spénale.

On 21 February 1978, the First and Second Chambers of the States-General of the Netherlands appointed Mr de Gaay Fortman a Member of Parliament to replace Mr de Koning, and on 23 February 1978 the Bundestag of the Federal Republic of Germany appointed Mr Ibrügger a Member of Parliament to replace the late Mr Schwabe.

## President

On 28 February 1978 the United Kingdom House of Lords appointed Lord Kennet a Member of Parliament to replace Lord Murray of Gravesend, and on 8 March 1978 the House of Commons appointed Mr Cunningham and Mr Fitch as Members of Parliament to replace Mr Evans and Mr Price.

At its meetings of 2 March and 13 March 1978 the Bureau verified the credentials of these Members.

Pursuant to Rule 3 (1) of the Rules of Procedure, the Bureau confirmed that these appointments complied with the provisions of the Treaties.

Since there are no objections, these appointments are ratified.

On behalf of the House and of myself I welcome these new Members and congratulate them on their appointment.

I should also like to take the opportunity of thanking those former Members who have now left us for their contributions to our proceedings. Some of them had been Members of this Assembly for a great number of years. I think in particular of our former oldest Representative, Mr Houdet, who became a Member of this Parliament in 1968, and for more than ten years enriched it with a wide experience, a great generosity and tolerance of mind and a profound sense of tact and courtesy. He made a number of extremely valuable contributions to many difficult issues, especially on the difficult ground of the common agricultural policy, not least with regard to the annual fixing of agricultural prices, which we shall be debating shortly.

Another of our more senior Members was Mr Jozeau-Marigné, who became a Member of this Parliament in 1966. For the past twelve years we have had the benefit of his services as a prominent legal practitioner, who drew up a number of reports of extremely high quality for us on legal matters. He also carried out excellent work on regional policy, the budget and in the ACP-EEC Consultative Assembly, of which he became a Vice-President.

Finally, a particular word of appreciation is due to our longest serving Member of all, Mr Alain Poher. His appointment goes right back a quarter of a century to 10 July 1952. During that time he twice assumed the responsibility of head of the French Republic.

Alain Poher was one of the most distinguished founding Members of this Assembly as the Assembly of the European Coal and Steel Community and in the time of its evolution into the Parliament of the three Communities. He is one of those to whom it owes much of its weight and influence in Community affairs. At times when the Community wavered, Alain Poher was one of those who helped to set it back on the right course. His firm commitment was always

matched by profound realism, patience and talent. He served on nearly all Parliament's committees and chaired many of them, as well as being chairman of the Christian-Democratic Group for many years.

He was one of the most distinguished Presidents of this Parliament and held the office for three consecutive years from March 1966 to March 1969, a record so far unequalled. During that time he was also President of the Senate of the French Republic.

The European Parliament and Europe as a whole certainly owe a great debt of gratitude to Alain Poher, a worthy disciple of Robert Schuman and one of his closest collaborators.

It therefore gives me great pleasure to take the opportunity afforded by his presence in the official gallery of paying him a richly deserved tribute.

*(Applause)*

## 4. Petitions

**President.** — I have received :

from Mr J. Feidt and others, a petition on a single seat for the executive and parliamentary institutions of the Community ;

from Mr R. Thoma and others, a petition on exchange losses suffered by certain persons in receipt of annuities or pensions.

These petitions have been entered under Nos 23/77 and 24/77 respectively in the register provided for in Rule 48 (2) of the Rules of Procedure and have been referred to the Committee on the Rules of Procedure and Petitions pursuant to paragraph 3 of the rule.

Petition No 12/77, by Mr Bourgeau and others, has been referred to the Political Affairs Committee for consideration and proposals on the action to be taken.

Petitions Nos 15, 17 and 18/77, by Mrs Rozenzweig, and Petition No 16/77, by Mr Osio and others, have been referred to the Committee on the Environment, Public Health and Consumer Protection ; Petition No 19/77 by 609 officials and other servants of the Community institutions in Luxembourg has been referred to the Committee on Social Affairs, Employment and Education for their opinions.

## 5. Statement by the President

**President.** — In January 1976 the Committee on Regional Policy, Regional Planning and Transport had referred to it a motion for a resolution tabled by Mr de la Malène and Mr Scott-Hopkins on the entry into service of the Concorde aircraft (Doc. 487/75).

At its meeting of 28 February and 1 March 1978, the committee decided to discontinue consideration of the motion for a resolution, since it had been overtaken by events.

**President**

In February 1978 the Political Affairs Committee had referred to it a motion for a resolution tabled by Mr Hamilton, Mr Brown and Mr Price on a single place of work for the European Parliament (Doc. 509/77).

At its meeting of 2 March 1978 the committee unanimously decided that it would be unnecessary to draw up a report on this matter.

*6. Documents submitted*

**President.** — I have received the following :

(a) from the Council, requests for opinions on the following Commission proposals and communications :

- decision adopting an EEC concerted action in the field of physico-chemical behaviour of atmospheric pollutants (Doc. 554/77)

which has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Budgets for its opinion ;

- decision adopting an EEC concerted action in the field of analysis of organic micro-pollutants in water (Doc. 555/77)

which has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and to the Committee on Budgets for its opinion ;

- communication concerning the accession of the Republic of Djibouti to the ACP-EEC Convention of Lomé and proposals for certain legal acts relating thereto (Doc. 556/77)

which has been referred to the Committee on Development and Cooperation ;

- regulation amending Regulation (EEC) No 1703/72 *inter alia* laying down rules for the Community financing of expenditure arising from the implementation of the Food Aid Convention of 1971 (Doc. 558/77)

which has been referred to the Committee on Budgets as the committee responsible and to the Committee on Development and Cooperation for its opinion ;

- directive supplementing Directive 72/280/EEC of 31 July 1972 on the statistical surveys to be made by Member States on milk and milk products (Doc. 559/77)

which has been referred to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion ;

- regulation opening, allocating and providing for the administration of a Community tariff quota for apricot pulp, falling within subheading ex 20.06 B II (c) 1 (aa) of the Common Customs Tariff, originating in Turkey (Doc. 560/77)

which has been referred to the Committee on External Economic Relations as the Committee responsible and to the Committee on Agriculture and the Committee on Budgets for their opinions ;

- decision concerning the Community's acceptance of Resolution No. 212 (revised) of the economic Commission for Europe and relating to the facilitation of health and quality inspection in the international carriage of goods by rail as regards traffic between the Community and third countries signatories to the Resolution (Doc. 561/77)

which has been referred to the Committee on the Environment, Public Health and Consumer Protection ;

- regulation amending Regulation (EEC) No 1418/76 on the common organization of the market in rice (Doc. 562/77).

which has been referred to the Committee on Agriculture as the committee responsible and to the Committee on Development and Cooperation and the Committee on Budgets for their opinions ;

- regulation laying down, in respect of hops, the amount of the aid to producers for the 1977 harvest, the amount of the aid to producers for the 1977 harvest (Doc. 563/77)

which has been referred to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion ;

- I. a regulation establishing a European Joint-Trade Table Wine Organization
  - II. a regulation amending Regulation (EEC) No 816/70 laying down additional provisions for the common organization of the market in wine
- (Doc. 564/77)

which have been referred to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion ;

(b) from the committees, the following reports :

- by Mr Nyborg on behalf of the Committee on Economic and Monetary Affairs, on the development of the customs union and the internal market (Doc. 557/77) ;
- by Mr Scott-Hopkins, on behalf of the Committee on Agriculture, on the proposals from the Commission of the European Communities to the Council for :
  - I. a regulation amending Regulation (EEC) No 3330/74 on the common organization of the market in sugar
  - II. a regulation amending Regulation (EEC) No 1111/77 laying down common provisions for isoglucose

(Doc. 566/77) ;

- by Mr Jozeau-Marigné, on behalf of the Legal Affairs Committee, on the European Communities in international law (Doc. 567/77) ;

**President**

- by Mr Lezzi, on behalf of the Committee on Development and Cooperation, on the communication from the Commission of the European Communities to the Council concerning the accession of the Republic of Djibouti to the ACP-EEC Convention of Lomé and proposals for certain legal acts relating thereto (Doc. 568/77);
  - by Mr Sandri, on behalf of the Committee on External Economic Relations, on the outcome of the Third European Community-Latin American Inter-Parliamentary Conference (Mexico 24-27 July 1977) (Doc. 574/77);
  - by Mr Johnston, on behalf of the Political Affairs Committee, on the creation of a European foundation with a view to fostering public support for European objectives and policies (Doc. 575/77) interim report;
  - by Mr Flämig on behalf of the Committee on Energy and Research, on measures to be taken in connection with the removal and final disposal of radioactive waste and the decommissioning of nuclear power stations as part of Community energy policy and on the proposals from the Commission of the European Communities to the Council for :
    - I. a draft Council resolution on the implementation of a Community plan of action in the field of radioactive waste,
    - II. a draft Council Decision on the setting up of a high-level committee of experts responsible for assisting the Commission in the implementation of the plan of action in the field of radioactive waste,
    - III. a draft Council decision on the setting up of an ad hoc committee on the reprocessing of irradiated nuclear fuels,
 (Doc. 576/77);
  - by Mr Normanton, on behalf of the Committee on Energy and Research, on the need for improving the Community's policy for the storage of oil and/or petroleum products (Doc. 577/77);
  - by Mr Terrenoire, on behalf of the Committee on Budgets, on the proposal from the Commission of the European Communities to the Council for a decision on the financing of the surveys to be carried out by the Member States on bovine livestock (Doc. 578/77);
  - by Mr Hughes, on behalf of the Committee on Agriculture, on the proposals from the Commission of the European Communities to the Council on the fixing of prices for certain agricultural products and on certain related measures (Doc. 579/77);
  - by Mr Albers, on behalf of the Committee on Regional Policy, Regional Planning and Transport, on the proposal from the Commission of the European Communities to the Council for a directive amending Directive 76/135/EEC on reciprocal recognition of navigability licences for inland waterway vessels (Doc. 580/77);
  - by Mr Shaw, on behalf of the Committee on Budgets, on draft amending and supplementary budget No. 2 of the European Communities for the 1978 financial year, drawn up by the Council on 27 February 1978 (Doc. 581/77);
- (c) from Mr Noè, on behalf of the Committee on Regional Policy, Regional Planning and Transport, a motion for a resolution on the Community's regional policy and aid from the Fund from 1 January 1978 (Doc. 573/77);
- (d) the following oral questions with debate :
- by Mr Caleweart, Lord Murray, Mr Bayerl, Mr Hoffmann, Mr Broeksz, Mr Adams and Sir Geoffrey de Freitas, to the Council, on the legal policy of the European Communities (Doc. 569/77);
  - by Mr Calewaert, Lord Murray, Mr Bayerl, Mr Hoffmann, Mr Broeksz, Mr Adams and Sir Geoffrey de Freitas, to the Commission, on the legal policy of the European Communities (Doc. 570/77);
  - by Mr Fioret, Mrs Squarcialupi, Mr Albertini, Mr Cifarelli, Mr Admadei, Mr Covelli, Mr Pisoni, Mrs Cassanagnago Cerretti, Mr Vernaschi, Mr Ripamonti, Mr Ligios, Mr Sandri, Mr Lezzi and Mr Veronesi, to the Commission, on the working languages of the European Parliament (Doc. 571/77);
  - oral question with debate by Mr Meintz, Mr Durieux and Mr Cifarelli, on behalf of the Liberal and Democratic Group, to the Commission, on the introduction of Community policy into education (Doc. 572/77);
- (e) for Question Time on 14, 15 and 16 March, 1978, questions by :
- Mr Corrie, Mr Klepsch, Mr Vandewiele, Mr Jahn, Mrs Walz, Mr Dalyell, Mr Cousté, Sir Derek Walker-Smith, Mr Ripamonti, Mr Osborn, Mr Howell, Sir Brandon Rhys Williams, Mr Notenboom, Mr van Aerssen, Mr Jensen, Mr Herbert, Mr Spicer, Mr Normanton, Lord Bessborough, Mr Yeats, Mr Schyns, Mr Bersani, Mr Dondelinger, Lord Reay, Mr Schmidt, Mr Leonardi, Mr Hamilton, Mrs Squarcialupi, Mrs Dunwoody, Lord Bethell, Mrs Ewing, Mr Kavanagh, Mr Brosnan, Mr Ryan, Mr Bangemann, Mr Pisoni, Mr Verhaegen, Mr Kofoed, Mr Nyborg, Mr L'Estrange, Miss Flesch, Mr Ripamonti, Mr Schyns, Mr Osborn, Mr Pisoni, Mr Dondelinger, Mr Hamilton, Mr Howell, Mr Ryan, Mr McDonald, Mr Bouquerel, Mr Edwards, Lord Reay and Mr Ryan (Doc. 1/78);
- (f) from the Court of Auditors, a letter from the President requesting the release of certain posts (Doc. 553/77) which has been referred to the Committee on Budgets;
- (g) from the Council, preliminary draft amending and supplementary budget No 2 of the European Communities for the financial year 1978 prepared by the Council on 27 February 1978 (Doc. 565/77) which has been referred to the Committee on Budgets.

*7. Authorization of reports*

**President.** — I have authorized the Committee on Agriculture to draw up a report on Community measures to promote fish breeding and on its importance for the Community. I have also referred the item to the Committee on Regional Policy, Regional Planning and Transport for its opinion, pursuant to Rule 38 (3) of the Rules of Procedure.

### 8. Order of business

**President.** — The next item is the order of business for today's sitting, the last in the 1977-78 session.

At its meeting of 2 March 1978 he enlarged Bureau adopted the following agenda for today's sitting :

- statement by the Commission on action taken on the opinions of Parliament ;
- Shaw report on draft amending and supplementary budget No 2 for 1978 (Doc. 581/77) ;
- Terrenoire report on surveys on bovine livestock (Doc. 578/77)

*At 7 p.m.* : votes on motions for resolutions on which the debate has closed.

Since there are no objections, the order of business is approved.

### 9. Limit on speaking time

**President.** — I propose that speaking time be limited as follows for all the items on today's agenda :

- 15 minutes for the rapporteur and for one speaker on behalf of each political group ;
- 10 minutes for other speakers.

Since there are no objections, that is agreed.

### 10. Time limit for tabling amendments

**President.** — I propose that the time limit for tabling proposed modifications, draft amendments and proposals for outright rejection on draft amending and supplementary budget No 2 for 1978 be 5 p.m. on Tuesday, 14 March 1978, and the time limit for amendments to the Hughes report on agricultural prices 3 p.m. on Tuesday, 14 March 1978.

Although the report by Mr Hughes is not in fact on the agenda for this part-session, I think that for practical reasons, the Assembly should be asked to give its opinion on the time limit for fixing amendments at this stage in the proceedings.

Since there are no objections, that is agreed.

### 11. Action taken by the Commission on the opinions of Parliament

**President.** — The next item is the statement by the Commission on the action taken by it on the opinions of Parliament.

I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — During the February part-session, Parliament gave its opinion on 12 Commission proposals, these being, I am happy to say, for the most part favourable, amendments being suggested on only one occasion.

Following the debate on the report by Lady Fisher of Rednal, relating to a directive concerning consumer protection and the marking and display of foodstuffs, the Commission has accepted the amendments put forward by Parliament and has drawn up a modified proposal which takes account of your opinion. This will be sent to you within the next few days.

**President.** — I call Mr Dalyell.

**Mr Dalyell.** — There has been some discussion, it will be within your recollection, about the fixing of the order of business on Monday and the dissatisfaction that has been expressed from many sides of the House, but I am wondering, since a great deal was said about it last February, whether there is likely to be any report during the part-session on the Commission's attitude to the problems of the steel industry. Is there any way in which a statement could be made for the benefit of the very many areas of our Community that are extremely bothered and want to know what Mr Davignon and others are going to do to help ?

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — I rise with some hesitation, Mr President, because I believe this matter is currently under discussion in the Bureau of Parliament, and I would not like to go ahead of anything that might be agreed there.

**President.** — I call Mr Klepsch.

**Mr Klepsch.** — (*D*) Mr President, as you know, my group has prepared an oral question for debate under urgent procedure. In view of the work before the House we have, however, decided instead — we discussed this in the meeting of the Bureau this afternoon — to bring up this subject for discussion at an early opportunity, that is, after one of the questions which Mr Davignon has to answer in Question Time. If the House does not agree with this, I am naturally prepared to put down our oral question with request for debate under urgent procedure. I think it is important for us to discuss steel : but it is also important to consider the general order of business. I got the impression that all the groups were agreed about this particular matter.

**President.** — I call Sir Geoffrey de Freitas.

**Sir Geoffrey de Freitas.** — I would just like to say that after deputizing this afternoon in the enlarged Bureau, that it is exactly as I understood : that there was a question down, and therefore if we were dissatisfied with the reply to the question we would have a debate in the ordinary course of our procedure. It would then be before everyone to raise their point of view and for the Commission to answer. This is according to the procedure, which is very good in matters of this kind, but of course, if by any chance the Commission were able to give a completely satis-

**de Freitas**

factory answer, that would be the end. If it did not, then we would have an emergency debate.

**President.** — I should like to say to Sir Geoffrey de Freitas that the Bureau considered this matter and reached agreement on the lines he indicated. I should like to reassure Mr Dalyell. The matter he raised will be considered in the course of the proceedings.

*12. Draft amending and supplementary budget No 2 for 1978*

**President.** — The next item is the report (Doc. 581/77) drawn up by Mr Shaw on behalf of the Committee on Budgets, on

draft amending and supplementary budget No 2 of the European Communities for the 1978 financial year drawn up by the Council.

I call Mr Shaw.

**Mr Shaw, rapporteur.** — Mr President, I need not detain the House, it will be glad to hear, for very long this evening, since the Committee on Budgets has agreed to this supplementary budget, and I therefore need do no more than outline its purpose.

There are four main aspects: firstly, additional staff for the Commission to deal with the new tasks in the steel and textile industries; secondly, the assumption by the Community budget of certain financial obligations in respect of fishing in the Adriatic; thirdly, minor amendments to the budget nomenclature, so as to give greater clarity to the presentation of that part which deals with the utilization of funds concerning the financial contribution of milk-producers; fourthly, the extension of the overall EEC guarantee to loans granted to the Lebanon by the European Investment Bank.

I need only comment—on two of these four issues namely, the additional staff requirements and the financial contribution of milk producers. As far as the steel and textiles sectors are concerned, we are all in no doubt as to the need for the special measures to stabilize the situation and to take care of the production and employment difficulties. The Commission proposal for 84 additional posts has been agreed to by all parties. In its preliminary budget the Commission asked for 1 383 000 EUA to cover the cost of those 84 staff up to the end of 1978. However, when we received the draft second supplementary budget, it was noticed that a great change had taken place: whilst the Council had approved the 84 new posts, it had not made any provision for additional funds to cover the cost of these additional staff. The only explanation put in the draft budget by the Council were these words: 'The Council has noted that the Commission intends to release at this stage the appropriations within the 1978 budget necessary to cover Title 1, expenditure, on the 84 additional posts, i.e., 1 383 000 EUA'.

I can quite see that the Commissioner responsible for the steel and textile sectors has got what he wanted. He has got these extra men. But if that money is, as we understand, coming out of money already provided in the budget, then I must say to the Commissioner responsible for the budget that we had a very considerable debate, not only in this Chamber, but also in the Committee on Budgets, on the need for additional staff and the cost of that staff. I make no secret of the fact that it was against a certain measure of opposition that I persuaded colleagues in this House that an additional 95 staff should be granted to the Commission this year. To be told that there is now room for another 84 posts and that the money will come out of money already provided does, I think, require a measure of explanation.

I am not going to stress this point any further, Mr President; I did go into it in great detail before the Commissioners in the Committee on Budgets. I will only say that this is clearly a matter of great urgency, and speed is therefore of the essence. Perhaps further explanations would have been given in a more thoughtful way had the speed not been quite as important as it was. All I would ask is that we might hear from the Commissioner any further explanation that he may care to make. I would ask this one further question: is it still the view of the Commission that these 95 additional staff are essential as soon as possible? If that is the case, then where are the additional funds which have not been provided for in this supplementary budget? I feel that this is the appropriate time for the commissioner to give us some more detail on this. We accept that staff for this special task should be granted. But we are left in doubt as to some of the other actions that we have taken, and indeed as to where the money is to come from and what exactly are the Commission's cash needs for staff in 1978. The principle of the 84 staff is agreed. If, by some means or other, the Commission could get on with less money than they first thought, Parliament would be the last people to say that that economy should not be made.

One other issue is the question of temporary staff. We hope that the difficulties in these two sectors of industry will be temporary. Undoubtedly, the requirements will be for staff of an expert nature, probably coming from those industries themselves. It could well be, it seemed to us in the Committee on Budgets, that these positions could, to a certain extent, be temporary ones. We made this point to the Commission, and to a certain extent they have gone along with the view we originally gave them. But I do hope that it may be possible for them to extend the temporary nature of the posts. The Committee on Budgets will, I hope, be moving an amendment to my own motion which will stress this fact.



**Shaw**

The only other matter I wish to talk about is the co-responsibility levy in the milk sector. The principle of this financial contribution has been approved by Parliament, and I want to stress that is not an issue in this supplementary budget. The change being made in this point. The change being made in this amending part of the budget before us is designed solely to add a further degree of clarity. At this evening's meeting, the Committee on Budgets will consider a paragraph to be inserted in the motion for a resolution on this point. This amending paragraph will give an undertaking to reconsider the presentation of the milk producers' financial contribution in connection with the deliberations on the 1979 budget. We shall bring it up to date as far as we can now, and look at it again when we consider the 1979 budget.

The Committee on Budgets has approved draft amending and supplementary budget No 2 for 1978. However, the motion for a resolution that is now before the House will be completed by the addition of two paragraphs that will be considered by the Committee on Budgets in the next hour or so. I feel that I can confidently recommend to this House that it should in due course give an endorsement to the report that is now before us.

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

**Mr Aigner.** — (D) Mr President, on behalf of my group I wish to endorse everything the rapporteur has said. I shall therefore confine myself to two observations.

We are discussing here a draft from the Commission which we are still in the process of considering, for we shall not reach our conclusions till this evening. However, we shall certainly be able to agree sufficiently on the outstanding points to make it unnecessary to hold any further discussion tomorrow.

I should like to say one thing about staff and staff costs. It seems to me that our earlier view has been confirmed — let me say this to the Commission — namely, that the scale used each year for calculating staff costs leaves far too much free play and in the next discussions on the budget we shall have to examine this scale, since it is obviously the weak point. If our calculations produce different results, we shall have achieved greater transparency as regards staff costs.

My second point is this: I am very glad that the principle of co-responsibility of milk producers is embodied in this supplementary budget. You know that there have been a lot of trouble and rumours in the press — in my country, too — suggesting that in one

or two countries this milk producer levy has not been charged or that it has been paid by the State and not the producers. I asked the Commission about this in the control committee. We were told that, while there certainly are some technical problems, this charge is being levied on the producers in all the Member States, as agreed. This ensures that we shall be able to scrutinize this levy in connection with the estimates and certainly, too, during the budgetary procedure for 1979.

Mr President, I should like to thank the rapporteur and endorse this report on behalf of my group.

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

**Mr Bangemann.** — (D) Mr President, I will also confine myself to a few brief comments. First, the question of the cost of the staff in the steel and textiles sectors. What Mr Aigner has said is certainly true — we must in future look very closely at the basis on which administrative costs are calculated, particularly for staff costs.

On the other hand, I should like to say on behalf of my group that we cannot keep pressing the Commission the whole time to examine the staff position to see whether it cannot transfer staff who are no longer required for the work they were doing before, and then blame it when it does just that! We must recognize this danger. I can recall many debates in the past in which we kept saying to the Commission: it must be possible for you to get staff from this or that directorate-general, which is no longer as busy as it used to be, and put these staff in new jobs! We were always hoping this could be done.

Now the Commission has done this, or at least it has said it would be possible to use staff from other directorates-general for this new work. Therefore, we should welcome it, since it would be nonsense to ask the Commission to do something and then, when it has complied, to say: Ah, so you had staff to spare after all: next time you will have fewer. I want to draw your attention to this danger.

Mr Aigner has said what had to be said about milk levies and the budget. We are very pleased that a start has been made with this and shall deal more thoroughly with it in the 1979 budget.

The other point I should like to make is this: it is right and proper that we should think about provision in the budget for guarantees to loans granted by the European Investment Bank, which is also dealt with in Mr Shaw's report? I should like to point out here and now that this is also one of the points which we

**Bangemann**

shall have to look at more closely during the discussions on the 1979 budget, for there is no doubt that we need a bank as a technical instrument to carry out transactions which an administration cannot do so easily. On the other hand, we do not need a bank to pursue budgetary policies. We only need a bank which we can regard as an instrument and which regards itself in the same light. I just wished to mention this, bearing it in mind for future debates.

We thank the rapporteur very much for the trouble he has taken and the expertise with which he has drawn up this report and we wish him all the best for the future: we hope especially that he might now be able to relax and look on more calmly while the future rapporteur carries on the work. My best wishes to Michael Shaw.

**President.** — I call Lord Bruce to speak on behalf of the Socialist Group.

**Lord Bruce of Donington.** — Mr President, on behalf of my group, I can be even briefer: my group entirely supports the line taken by Mr Shaw and the remarks that he has made.

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, I will endeavour to cover most of the points that have been raised.

First of all, we have discussed the need to adjust the receipt side of the budget at the last part-session and, indeed, on other occasions as well. I do not think, I need say to the House — because they know my feelings very well on this — that we share their view about the failure of the Member States to be ready to introduce the VAT-based system by January 1; we agree with the comments made by the European Parliament on this score and we hope very much to get the new system into operation by 1 January 1979 — a year later, I am afraid but it is not the only thing that is a year late in this Community. We will do our best to get it into operation by then and it will, I hope, be no fault of ours if there is any further delay.

So far as as the problem of Article 131 — another old friend for all those who have been dealing with the budget — is concerned, I must accept that this being outside the budget means there is not complete transparency. Fortunately, of course, this is only a temporary phenomenon; the whole row over Article 131 was about something which was only going to last for two years anyway and the adjustments involved — adjustments by the Member — are not in themselves very large, but we agree that there is a lack of transparency as a result of what has happened and that that is certainly regrettable.

I come to the larger part of the supplementary budget — namely, the business about the new staff. Now the Community has adopted measures which, not only in

our view but I think in the view of everyone in the Member States and elsewhere, are of the utmost importance both for steel and for textiles. So that there can be no doubt at all in anybody's mind, I would like to re-affirm here in the clearest possible terms that we believe that the 84 staff-members, 30 for steel and 48 for textiles, are necessary. The honourable Member who spoke one before last from the Liberal benches mentioned the question of transferring staff from other departments: he said that, on the one hand, the Commission is often asked to do so and then, on the other hand, it is blamed when it does, I would like to say, if I may, a word of gratitude to him for his understanding approach to what is a very difficult problem for us. On this occasion it was certainly very difficult, because though we have transferred staff from other departments to work in these new fields and also allocated a number of the new posts provided in the 1978 budget for his same purpose, we could not possibly have found the number of people needed for the new tasks without taking them off tasks in other Directorates-General which, though not, perhaps, so prominent in the public eye and not as politically acute at the present moment are of vital importance for the progress of the Community. Indeed I had two Commissioners seeing me today, talking about the needs for new staff in their sections, and saying how they felt they were cut-to-bone and there was no room for any more economies. I had to say to them that I did not think their position was any worse than that of any other colleagues, although I also have to admit that the number of staff they have for the tasks in question are such that it is very difficult indeed for the Commission to work to the standard that I think we should maintain and which the Parliament rightly demands. On this occasion it would have been very difficult for us to have found the people, especially as the tasks we are being asked to fulfil in the steel and textile sectors are often somewhat specialized and require people with a very particular type of knowledge and there is not very much time for training them on the job.

I now come to the problem which has caused the greatest heart-searching in this House and which was put in his customarily moderate and reasonable vein, though none the less convincingly for that, by Mr Shaw. I know that the Committee on Budgets has been concerned that the Commission agreed in the Council not to ask for more appropriations for the personnel expenditure involved, and in view of the way in which Mr Shaw has raised the question, the House certainly deserves, as full an explanation as we can provide. If there is any further point which the House or the honourable Member would like to press for, if the Rules of Procedure permit it, but press it to me now of course, I shall be at the Budget Committee meeting which starts immediately this sitting has finished.

## Tugendhat

I believe myself, as we have said in the Committee on Budgets that there is some misunderstanding on this point. Obviously, when the main budget is drawn up we have to observe the normal ratios between staff granted and pay and accommodation provided. There is, inevitably, a degree of imprecision in these estimates. So when the Council asked whether the extra appropriations were essential we could not demonstrate this to be the case, the more so since there was uncertainty over the adequacy of the staff appropriations as a whole now that the budget is denominated in European units of account. Because the budget is denominated in European units of account there are, of course, currency fluctuations on a day-to-day basis and the rise in the value of the Belgian franc against the EUA is reducing the purchasing-power of the appropriations of both Titles I and II. This is a point of general importance and is something which we are going to have to learn to live with; it is one of the difficulties arising from this change, though as I think everybody agrees, the benefits enormously outweigh the disadvantages. The Commission therefore agrees that, because this general question would arise later in the year, we could leave until then the question whether the appropriations were or were not required for the extra staff now envisaged. It is not a matter of saying that they are not needed, but that there is some uncertainty in this whole area. We did not want to put our name to an estimate that might or might not be correct and we shall have to return to this question shortly.

I know, too, that the Budget Committee attached importance to the fact that some of these posts should be temporary. The Commission agrees. One of my general concerns — and I speak here, of course, as the Commissioner responsible for personnel as well as for the budget — is that when the Community takes over new tasks there should be a transfer from the Member State level to the Community level and that we shouldn't have the Community simply piling on staff consuming work on top of the existing structure in the nation-state or, in the case of a country like Germany, in the constituent parts of that nation-state. It is very important that when we take on work there should be a transfer from the Member State to us. Now, obviously, we all hope — I hope to God we're right — that some of the aspects of the steel and textile business are temporary and, that being the case, it is obviously appropriate that some of the staff should be temporary. I certainly do not want to see the Commission's payroll inflated for a temporary purpose and then, when that temporary purpose disappears, to find ourselves permanently with the people whom we have taken on. So I hope I have set the Parliament's mind at rest on that point: I can assure you that a significant proportion will be temporary. The Commission is already preparing its recruitment procedures so that they may be put into effect as soon as Parliament and the Council have completed the procedures necessary for this budget.

The comments by the Committee on Budgets on the remaining part of the supplementary budget do not call for a great deal of comment in comparison with those which we have already had. On fisheries, I hope like, the committee, that the 1979 budget will be able to reflect the financial aspects of a wider Community fisheries policy. There are some problems to be overcome in that field, but let us hope that by the time we are called upon to work on these matters, if not before, they will have been overcome.

With the extension of the EEC overall guaranteed loans accorded to Lebanon, I note that the Parliament will wish to come back to the form of the budget guarantee in connection with the 1979 budget.

Then there was the point of the co-responsibility levy which was raised during the course of a number of speeches. The Commission has felt it necessary to establish a political link between the funds raised and the measures taken to reduce the milk surplus — both as parts of the CAP: this is why both of them appear in Title VI of the budget. Now, Mr Aigner particularly mentioned the very great importance he attaches to making quite sure that all the proper procedures are gone through and that the levy is collected and paid over I agree. I also agree and that is why I make the point a second time, that there is a link between raising the funds on this occasion and the particular measures taken: they are two sides of the same coin. I do not think there is any difference between the Parliament and us on this.

I have tried, Mr President, to cover the various points which have been raised. As I say, within the Rules of Procedure I shall, of course, remain here; but I shall be at the meeting of the Committee on Budgets which will be beginning shortly.

**President.** — I call Mr Shaw.

**Mr Shaw, rapporteur.** — May I first of all thank the Commissioner for his full explanation? Clearly this matter has been dealt with hurriedly for the good reasons that we know, and I do not believe this is time to discuss in detail the points raised by him. They have been very interesting, but I would only say this, that I believe the Committee on Budgets will have to take into account some of the points he has made in a more general way, because I think they have very much wider implications for the future. The idea that you cannot put a sum of money into a budget because you cannot demonstrate that the extra money is necessary is an argument we could use, I am afraid, every time we came to a line of a budget, and this could lead to considerable complications. However, that is for another time.

**Shaw**

I would, in addition to thanking him, also like to thank my colleagues, Mr Aigner and Mr Bangemann, for their kind words and for their help in this matter. I hope that by tomorrow I shall be able to make a very brief report on the two amendments that are being proposed upstairs later this evening, and that we shall be able to vote in favour of this very necessary supplementary budget.

**President.** — The general debate is closed.

The vote will be held on Wednesday at 4.30 p.m.

The majorities required for adoption are as follows :

- draft amendments : the votes of a majority of the current Members of Parliament ;
- proposed modifications : a majority of the votes cast ;
- proposals for outright rejection : the votes of a majority of the current Members of Parliament and two-thirds of the votes cast.

### 13. *Decision on the financing of surveys on bovine livestock*

**President.** — The next item is the report (Doc. 578/77) drawn up by Mr Terrenoire, on behalf of the Committee on Budgets, on the

proposal from the Commission of the European Communities to the Council for a decision on the financing of the surveys to be carried out by the Member States on bovine livestock.

I call Mr Lange.

**Mr Lange (deputy rapporteur).** — (D) Mr President, as has happened on many other occasions, the chairman of the Committee on Budgets steps into the breach as deputy rapporteur!

The text before us is relatively straightforward. It contains one essential article which reads :

The expenditure necessary for the execution of statistical surveys carried out each year by the Member States on bovine livestock shall be met by way of a lump sum to be fixed in the budget of the European Communities.

This makes it clear that this matter is to be transferred to the budgetary procedure : the lump sum will be fixed in the budget. As far as this goes, the Committee on Budgets can recommend the adoption of this proposal by the Commission.

However, I should like to point out — and the rapporteur has done so in the motion for a resolution in his report — that the Commission must in future present its financial statement along the lines agreed with the Parliament to make it possible to assess the financial details accurately. However, since this is still to happen in the course of the budgetary procedure and the Commission will then be providing further details, we can here and now endorse this proposal for a decision on the financing of the surveys to be carried out by the Member States on the bovine livestock. We therefore recommend that it be adopted.

Apart from this, Mr President, I should like to make the following proposal regarding the business of the House. According to the agenda voting is to take place at 7 p.m. I request most urgently that the vote on this resolution should take place now, for otherwise we shall have to break off and then reassemble at seven. In any case, you would be assisting the Committee on Budgets in its work by taking the vote now, since we have to deal again with two amendments tabled by Mr Shaw to supplementary budget No. 2 I should therefore be grateful, Mr President, if you could take the vote on Mr Terrenoire's motion for a resolution now.

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, I welcome the fact that the motion for a resolution approves the Commission's proposal. I must apologize to the House for the fact that the financial statement has not been made available in all languages. However, the Commission intends to submit to Parliament as soon as possible a revised financial statement in all the Community languages, which will provide the detailed information requested in the third part of the motion, and on the breakdown by country of the total participation by the Community in the cost of bovine livestock surveys.

**President.** — Does anyone else wish to speak ?

The debate is closed.

Mr Lange has asked for the vote on this motion for a resolution to be taken at once, instead of at 7.00 p.m. as provided for in the agenda.

Are there any objections ?

I put the motion for a resolution to the vote.

The resolution is adopted.<sup>1</sup>

### 14. *Approval of the minutes*

**President.** — Pursuant to Rule 17 (2) of the Rules of Procedure, I ask the Assembly to approve the minutes of proceedings of today's sitting which were drawn up during the proceedings.

Are there any comments ?

The minutes of proceedings are approved.

### 15. *Closure of the session*

**President.** — I declare the 1977-78 session of the European Parliament closed.

Pursuant to the provisions of the Treaties, Parliament will meet tomorrow, Tuesday 14 March 1978, at 10.30 a.m. The sitting is closed.

*(The sitting was closed at 6.00 p.m.)*

<sup>1</sup> OJ C 85 of 10. 4. 1978.