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1979-1980 Session

Report of Proceedings

from 24 to 28 September 1979

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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.

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IN THE CHAIR : MRS VEIL

President

(The sitting was opened at 5.10 p.m.)

President. — The sitting is open.

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament adjourned on 20 July 1979.

2. *Composition of Parliament*

President. — On 1 August 1979 I received an official communication amending the notification of 11 July 1979 on the election of the Italian Members of the European Parliament, informing me that Mr Selva and Mrs Iotti had been replaced by Mr Marcello Modiano and Mr Protogene Veronesi respectively.

At its meeting of 11 September 1979 the enlarged Bureau verified the credentials of Mr Hamilius, whose election was already announced, and of Mr Modiano and Mr Veronesi.

Pursuant to Rule 3 (1) of the Rules of Procedure the enlarged Bureau confirmed that the appointments comply with the provisions of the Treaties. It therefore proposes that the House ratify the appointments.

Are there any objections?

The appointments are ratified.

On 14 August 1979 I was informed by the competent authorities, complementary to the official notification of 19 July 1979 concerning the election of the Luxembourg delegation in the European Parliament, that Mr Nicolas Esgen has been elected Member of the European Parliament.

Furthermore, the British authorities have informed me that Mrs Shelagh Roberts was elected Member of the European Parliament in the by-election of 20 September 1979.

(Applause from certain quarters on the right)

I welcome the new Members and would point out that, pursuant to Rule 3 (3) of the Rules of Procedure, any Members whose credentials have not yet been verified takes his seat provisionally in Parliament and on its committees with the same rights as other Members.

Mr Sciascia has informed me of his resignation as a Member of the European Parliament. Pursuant to the second paragraph of Article 12 (2) of the Act concerning the election of representatives of the assembly by direct universal suffrage, Parliament, having established that a vacancy exists will immediately inform the Member State concerned.

3. *Political groups*

President. — I have been informed that Mr Lynge has joined the Socialist Group and that Mr Maher has joined the Liberal and Democratic Group.

4. *Appointments at the Court of Justice*

President. — By letter of 20 July 1979 the President of the Conference of Representatives of the Governments of the Member States forwarded to me, for Parliament's information, a true copy of their decision of 24 July 1979 appointing Mr Aindrias O'Caomh, Mr Pierre Pescatore and Mr Ole Due as Judges and Mr Gerhard Reischl and Mr Jean-Pierre Warner as Advocates-General at the Court of Justice of the European Communities for the period 7 October 1979 — 6 October 1985.

5. *Election of the Chairman of the Economic and Social Committee*

President. — By letter of 10 July 1979 the Secretary-General of the Economic and Social Committee informed me that at its 169th Plenary Session the Committee elected Mr Raffaele Vanni as its Chairman.

6. *Petitions*

President. — I have received from the Christians of Evry a petition pursuant to Rule 48 of the Rules of Procedure on the tragic situation of the Indo-Chinese refugees.

This petition has been entered under No 5/79 in the register provided for in Rule 48(2) of the Rules of Procedure and, pursuant to paragraph 3 of that same rule, referred to the Committee on the Rules of Procedure and Petitions.

7. *Documents received*

President. — Since the adjournment of the session I have received the following documents :

(a) from the Council, requests for an opinion on :

— A proposal from the Commission of the European Communities to the Council for a directive on the coordination of laws, regulations and administrative provisions relating to insurance contracts (Doc. 1-247/79)

which has been referred to the Legal Affairs Committee as the committee responsible and to the Committee on Economic and Monetary Affairs for its opinion ;

President

— proposals from the Commission of the European Communities to the Council for:

I a decision on Community aid for restructuring or conversion investments in the shipbuilding industry

II a decision on Community aid for restructuring or conversion investments in the textile industry, particularly in the man-made fibres industry

(Doc. 1-249/79)

which has been referred to the Committee on Economic and Monetary Affairs as the committee responsible and to the Committee on Social Affairs and Employment and the Committee on Budgets for their opinion;

— a proposal from the Commission of the European Communities to the Council for a decision initiating a consultation procedure concerning international action in the field of air transport (Doc. 1-250/79)

which has been referred to the Committee on Transport;

— a proposal from the Commission of the European Communities to the Council for a regulation laying down conditions designed to render and keep the territory of the Community free from classical swine fever (Doc. 1-253/79)

which has been referred to the Committee on Agriculture;

— a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 3164/76 on the Community quota for the carriage of goods by road between Member States (Doc. 1-255/79)

which has been referred to the Committee on Transport;

— a proposal from the Commission of the European Communities to the Council for a regulation amending the Common Customs Tariff in respect of wines (Doc. 1-256/79)

which has been referred to the Committee on Agriculture;

— a proposal from the Commission of the European Communities to the Council for a directive on the coordination of laws, regulations and administrative provisions relating to legal expenses insurance (Doc. 1-257/79)

which has been referred to the Legal Affairs Committee as the committee responsible and to the Committee on Economic and Monetary Affairs for its opinion;

— a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 574/72 fixing the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community (Doc. 1-258/79)

which has been referred to the Committee on Social Affairs and Employment;

— proposals from the Commission of the European Communities to the Council for:

I a regulation on liqueur wines produced in the Community

II a regulation amending Regulation (EEC) No 338/79 as regards quality liqueur wines produced in specified regions

(Doc. 1-259/79)

which has been referred to the Committee on Agriculture;

— a proposal from the Commission of the European Communities to the Council for a directive amending Directive 72/461/EEC on health problems affecting intra-Community trade in fresh meat (Doc. 1-260/79)

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

— a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 358/79 on sparkling wines produced in the Community and defined in item 13 of Annex II to Regulation (EEC) No 337/79 (Doc. 1-261/79)

which has been referred to the Committee on Agriculture;

— a proposal from the Commission of the European Communities to the Council for regulation laying down certain measures for the conservation of fishery resources applicable to vessels flying the flag of a Member State and fishing in international waters in the north west Atlantic (Doc. 1-262/79)

which has been referred to the Committee on Agriculture;

— a proposal from the Commission of the European Communities to the Council for a directive amending Directive 77/99/EEC on health problems affecting intra-Community trade in meat products (Doc. 1-263/79)

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

— proposals from the Commission of the European Communities to the Council for regulations concerning the application of the generalized tariff preferences of the European Community for 1980 (Doc. 1-264/79)

which has been referred to the Committee on Development and Cooperation as the committee responsible and to the Committee on Economic and Monetary Affairs, the Committee on Agriculture and the Committee on External Economic Relations for their opinion;

— a proposal from the Commission of the European Communities to the Council for a directive on the major accident hazards of certain industrial activities (Doc. 1-265/79)

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

President

- a proposal from the Commission of the European Communities to the Council for a directive on the harmonization of procedures for the exportation of goods (Doc. 1-266/79)

which has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Economic and Monetary Affairs for its opinion ;

- a proposal from the Commission of the European Communities to the Council for a regulation opening, allocating and providing for the administration of a Community tariff quota for wines from fresh grapes and grape must with fermentations arrested by the addition of alcohol falling within heading No 22.05 of the Common Customs Tariff, originating entirely in Greece (1980) (Doc. 1-267/79)

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 opinion ;

- a proposal from the Commission of the European Communities to the Council for a regulation allocating among Member States certain catch quotas for vessels fishing in the regulatory area defined in the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries (Doc. 1-268/79)

Which has been referred to the Committee on Agriculture ;

- a proposal from the Commission of the European Communities to the Council for a regulation totally or partially suspending Common Customs Tariff duties on certain products, falling within Chapters 1 to 24 of the Common Customs Tariff, originating in Malta (1980) (Doc. 1-269/79)

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 opinion ;

- a proposal from the Commission of the European Communities to the Council for a Decision concerning the conclusion of the Convention on the conservation of European wildlife and natural habitats (Doc. 1-270-79)

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

- a proposal from the Commission of the European Communities to the Council for a directive laying down technical requirements for inland waterway vessels (Doc. 1-272/79)

Which has been referred to the Committee on Transport ;

- a proposal from the Commission of the European Communities to the Council for a directive amending for the seventh time the Directive of 23 October 1962 on the approximation of the rules of the Member States concerning the colouring matters authorized for use in foodstuffs intended for human consumption (Doc. 1-273/79)

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

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

- a proposal from the Commission of the European Communities to the Council for a regulation fixing the quantities of basic products considered to have been used in the manufacture of goods covered by Regulation (EEC) No (Doc. 1-274/79)

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

- a proposal from the Commission of the European Communities to the Council for a regulation laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products (Doc. 1-275/79)

which has been referred to the Legal Affairs Committee ;

- a proposal from the Commission of the European Communities to the Council for a regulation establishing a system of aid for the marketing of aubergines grown in the French Antilles (Doc. 1-276/79)

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 opinion ;

- a proposal from the Commission of the European Communities to the Council for a regulation laying down conservation and management measures for certain fish stocks occurring in the waters off the West Greenland coast applicable in 1979 to vessels flying the flag of Member States of the Community (Doc. 1-277/79)

which has been referred to the Committee on Agriculture ;

- proposals from the Commission of the European Communities to the Council for :

I a regulation amending Regulation (EEC) No 2358/71 on the common organization of the market in seeds and Regulation (EEC) No 950/68 on the Common Customs Tariff

II a regulation supplementing Regulations (EEC) Nos 1347/78 fixing, for the marketing years 1978/79 and 1979/80 and 1980/81 and 1981/82 respectively, the amounts of aid granted for seeds (Doc. 1-278/79)

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

- a proposal from the Commission of the European Communities to the Council for a directive amending Directive 77/97/EEC on protective measures against the introduction into the Member States of harmful organisms of plants or plant products (Doc. 1-279/79)

President

which has been referred to the Committee on Agriculture ;

- a proposal from the Commission of the European Communities to the Council for a regulation on the conclusion of an agreement between the European Economic Community and the Swedish government relating to certain measures intended to promote the reproduction of salmon in the Baltic Sea (Doc. 1-281/79)

which has been referred to the Committee on Agriculture ;

- a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation No 1418/76 on the common organization of the market in rice (Doc. 1-313/79)

which has been referred to the Committee on Agriculture ;

- a proposal from the Commission of the European Communities to the Council for a decision authorizing the United Kingdom to grant a national aid to milk producers in Northern Ireland (Doc. 1-323/79)

which has been referred to the Committee on Agriculture ;

- a proposal from the Commission of the European Communities to the Council for a directive of residence for nationals of Member States in the territory of another Member State (Doc. 1-324/79)

which has been referred to the Legal Affairs Committee ;

(b) From the Committee on the Rules of Procedure and Petitions :

- report by Mr Luster, on the amendment of the Rules of Procedure of the European Parliament (Doc. 1-282/79) ;

(c) the following oral questions with debate

- by the Committee on Development and Cooperation to the Commission on the massacres in the Central African Empire (Doc. 1-284/79) ;
- by Mr de la Malène and Mr Lalor on behalf of the Group of European Progressive Democrats to the Commission on the abolition of compensatory amounts (Doc. 1-286/79) ;
- by Mr van Aerssen and Mr Alber on behalf of the Group of the European People's Party (Christian-Democratic Group) to the Commission on data protection in the European Community (Doc. 1-287/79) ;
- by Lady Elles on behalf of the European Democratic Group to the Foreign Ministers on the common system of extradition in the fight against international crime and terrorism (Doc. 1-288/79/79) ;
- by Sir David Nicolson and Mr de Ferranti on behalf of the European Democratic Group to the Commission on freedom of trade within the Community (Doc. 1-289/79) ;

- by Mr Seligman on behalf of the European Democratic Group to the Council on the Community's coal industry (Doc. 1-290/79) ;

- by Mr Seligman on behalf of the European Democratic Group to the Commission on the Community's dependence on oil (Doc. 1-291/79) ;

- by Mr Blumenfeld, on behalf of the Group of the European People's Party (Christian-Democratic Group), to the Foreign Ministers on European political cooperation (Doc. 1-294/79) ;

- by Mr Gallagher, Mr Adam, Mr Rogers, Mr Boyes, Mrs Clwyd, Mrs Quin and Mr Griffiths to the Council on Community coal policy (Doc. 1-295/79) ;

- by Mr Gallagher, Mr Adam, Mr Rogers, Mr Boyes, Mrs Clwyd, Mrs Quin and Mr Griffiths, to the Commission on Community coal policy (Doc. 1-296/79) ;

- by Mr Franchère, Mr Piquet, Mr Maffre-Baugé, Mrs Le Roux, Mr Gremetz, Mrs Demarch and Mr M. Martin, to the Council on the draft Community regulation on sheepmeat (Doc. 1-297/79) ;

- by Mr Seefeld, Mr Albers, Mr Gabert, Mr Gatto, Mr Kéy, Mr Klinkenborg and Mr Loo, to the Commission on European solutions to the problems of transit traffic in the Alpine region (Doc. 1-298/79) ;

- by Mr De Pasquale, Mrs Barbarella, Mr Papapietro, Mr Fantì and Mrs Squarcialupi, to the Commission on the Italo-Tunisian bilateral fisheries agreement (Doc. 1-299/79) ;

- by Mr Fergusson, on behalf of the Group of European Progressive Democrats and Mr von Hassel, on behalf of the Group of the European People's Party (Christian-Democratic Group), to the Commission on Community armaments procurement programmes within the framework of industrial policy (Doc. 1-300/79) ;

- by Mr Balfour, Mr Fergusson, Mr Tuckman, Mr Ingo Friedrich, Mr Cottrell, Mr von Wogau, Mr Hord, Mr Battersby, Mr Forth, Mr von Bismarck, Mr Curry, Lord Bethell, Lord Douro, Mr Turner and Mr Habsburg, to the Commission on butter exports to Russia (Doc. 1-306/79/rev.) ;

- by Mr Notenboom on behalf of the Group of the European People's Party (Christian-Democratic Group), Mr Dankert on behalf of the Socialist Group, Mr John Mark Taylor on behalf of the European Democratic Group, Mr Rossi on behalf of the Liberal and Democratic Group, Mr Ansquer on behalf of the Group of European Progressive Democrats, Mr Lange chairman of the Committee on Budgets, and Mr Aigner chairman of the Committee on Budgetary Control, to the Commission on the implementation of the Community budget for the 1979 financial year (Doc. 1-307/79) ;

(d) the following oral questions without debate :

- by Mr Radoux to the Commission on synthetic fuel (Doc. 1-285/79) ;

President

— by Mr Romualdi, Mr Almirante, Mr Buttafuoco and Mr Petronio to the Council on practical measures to help the Vietnamese refugees and other peoples in South-East Asia (Doc. 1-292/79);

— by Mr Romualdi, Mr Almirante, Mr Buttafuoco and Mr Petronio to the Commission on practical measures to help the Vietnamese refugees and other peoples in South-East Asia (Doc. 1-293/79);

— by Mrs Castle to the Commission on firm control of agricultural expenditure (Doc. 1-301/79);

— by Mrs Castle to the Commission on net national contributions to Community budgetary expenditure (Doc. 1-302/79);

— by Mr Key to the Commission on the misuse of Community funds (Doc. 1-303/79);

— by Mrs Castle to the Commission on butter exported from France to the Eastern States at greatly reduced prices (Doc. 1-304/79);

— by Mrs Castle to the Commission on Community funds and sale of sugar surpluses for the year 1979 (Doc. 1-305/79);

— by Mr Maurice Faure to the Council on agricultural market organizations and sheepmeat (Doc. 1-311/79);

(e) for Question Time on 25, 26 and 27 September 1979 (Doc. 1-314/79), the following oral questions pursuant to Rule 47A of the Rules of Procedure questions by :

Mr Normanton, Mr Poncelet, Miss Quinn, Mr Nyborg, Mr Fergusson, Mr R. Jackson, Mr Spicer, Mr Purvis, Mr van Aerssen, Mr Ansquer, Mr Balfour, Mrs Desmond, Mr O'Connell, Mrs Clwyd, Mr Kavanagh, Miss Brookes, Mr Seal, Mrs Squarcialupi, Mr Cottrell, Sir Peter Vanneck, Mr Bettiza, Lady Elles, Lord O'Hagan, Mr Ruffolo, Mrs Wiczorek-Zeul, Mrs Ewing, Mrs Walz, Mr Früh, Mr O'Leary, Mr Clinton, Mr Curry, Mrs Cresson, Mr Pearce, Mrs Castle, Mr Blaney, Mr Adam, Mr Cronin, Mr Flanagan, Mr Kirk, Mr Fellermaier, Mr Paisley, Mr Lalor, Mr Davern, Mrs Lizin, Mr Spicer, Mr Normanton, Mr van Aerssen, Mr Debré, Mr Donnez, Mr Poncelet, Mr Ansquer, Lord Douro, Mr Ruffolo, Lord Bethell, Mr Prag, Mr O'Connell, Mr Møller, Mrs Ewing, Mr Berkhouwer, Mr Kavanagh, Mr O'Leary, Mr Battersby, Mr Pearce, Mrs Clwyd, Mr Lalor, Mr Davern, Mrs Ewing and Mrs Squarcialupi.

(f) the following motions for resolutions pursuant to Rule 25 of the Rules of Procedure :

— by Mr van Aerssen, on behalf of the Group of the European People's Party (Christian-Democratic Group), pursuant to Rule 25 of the Rules of Procedure, on the creation of a Foundation of the European Communities for International Technological and Scientific Cooperation (Doc. 1-251/79)

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

— motion for a resolution tabled by Mr Muntingh, pursuant to Rule 25 of the Rules of Procedure, on the prevention of disasters during the extraction of oil and gas in north-west European waters (Doc. 1-309/79)

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

— motion for a resolution tabled by Mr Muntingh, pursuant to Rule 25 of the Rules of Procedure, on combating the effects of disasters where oil is released into the sea and reaches the shore (Doc. 1-310/79)

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

— motion for a resolution tabled by Mr Pannella, Mrs Bonino and Mr Sciascia, pursuant to Rule 25 of the Rules of Procedure, on world hunger (Doc. 1-322/79)

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

— motion for a resolution tabled by Mr Oehler, Mr Zagari, Mr Lezzi, Mr Pelikan, Mr Ripa di Meana, on behalf of the Socialist Group, pursuant to Rule 25 of the Rules of Procedure, on the situation in Chile (Doc. 1-325/79)

which has been referred to the Political Affairs Committee ;

— motion for a resolution tabled by Mr Klepsch, on behalf of the Group of the European People's Party (Christina-Democratic Group), pursuant to Rule 25 of the Rules of Procedure, on the problem of hunger in the world (Doc. 1-327/79)

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

(g) from the Commission

on 24 July 1979 :

— a proposal for the transfer of appropriations No 23/79 between chapters in Section V — Court of Auditors — of the General Budget for the European Communities for the financial year 1979 (Doc. 1-248/79)

which has been referred to the Committee on Budgets ;

Since this is expenditure which does not result necessarily from the Treaties, I have consulted the Council on behalf of Parliament, pursuant to the provisions of the Financial Regulation.

— a proposal for the transfer of appropriations No 25/79 between chapters in Section III — Commission — of the General Budget for the European Communities for the financial year 1979 (Doc. 1-321/79)

President

which has been referred to the Committee on Budgets ;

- a request for an opinion on the communication from the Commission of the European Communities to the Council on aid to refugees and displaced persons in South-East Asia (Doc. 1-271/79)

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

- a report on the financial situation of the Communities at 30 June 1979 (Doc. 1-312/79)

which has been referred to the Committee on Budgetary Control ;

(h) opinions from the Council on :

- the proposal for the transfer of appropriations No 11/79 between chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 200/79) — (Doc. 1-252/79),
- the proposal for the transfer of appropriations No 20/79 between chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 214/79) — (Doc. 1-315/79),
- the proposal for the transfer of appropriations No 23/79 between chapters within Section V — Court of Auditors — of the general budget for the European Communities for the financial year 1979 (Doc. 1-248/79) — (Doc. 1-316/79),
- the proposal for the transfer of appropriations No 19/79 between chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 213/79) — (Doc. 1-317/79),
- the proposal for the transfer of appropriations No 21/79 between chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 215/79) — (Doc. 1-318/79),
- the proposal for the transfer of appropriations No 18/79 between chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 216/79) — (Doc. 1-319/79).

These opinions have been referred to the Committee on Budgets.

(i) from the Council, request for an opinion on :

- the proposal for the transfer of appropriations No 22/79 No chapters within Section III — Commission — of the general budget for the European Communities for the financial year 1979 (Doc. 1-254/79)

which has been referred to the Committee on Budgets.

8. *Texts of treaties forwarded by the Council*

President. — I have received from the Council certified true copies of the following documents :

- agreement in the form of an exchange of letters amending the agreement between the European Economic Community and the Republic of Austria ;
- Community — Cost Concertation Agreement on a concerted action project in the field of treatment and use of sewage sludge (COST Project 68 bis) ;
- agreement between the European Economic Community and the Islamic Republic of Pakistan on trade in textile products ;
- agreement in the form of an exchange of confidential letters between the European Economic Community and the Islamic Republic of Pakistan ;

These documents will be deposited in the archives of the European Parliament.

9. *Referral to Committee*

President. — The following proposals from the Commission to the Council, receipt of which was announced at the sitting of Thursday, 19 July 1979, have been referred to the Committee on Budgets as the committee responsible and to the Legal Affairs Committee for its opinion :

- the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of officials and the conditions of employment of other servants of the European Communities (Doc. 201/79),
- the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of officials and the conditions of employment of other servants of the European Communities (Doc. 202/79),
- the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of officials and the conditions of employment of other servants of the European Communities (Doc. 212/79).

10. *Transfer of appropriations*

President. — The Committee on Budgets has informed me that at its meeting of 7 September 1979, it delivered a favourable opinion on the following transfers of appropriations for the 1979 financial year :

- a transfer of 15m EUA to Article 860 for common measures to improve the structures of fisheries (transfer 14/79) (Doc. 197/79)
- a transfer of 85 000 EUA to Article 316 to finance the European Training and Promotion Centre for Farming and Rural Life (CEPFAR) (transfer 11/79) (Doc. 200/79)
- a transfer of 600 000 EUA for fishing in the Adriatic (Transfer 16/79) (Doc. 205/79)
- a transfer of 2.5m EUA for the campaign against African swine fever (transfer 18/79) (Doc. 216/79)

President

- a transfer of 300 000 EUA for the campaign against foot-and-mouth disease outside the Community (transfer 19/79) (Doc. 213/79)
- a transfer of 1m EUA for the campaign against African swine fever: local measures (transfer 20/79) (Doc. 214/79)
- a transfer of 650 000 EUA for exchanges of young workers (transfer 21/79) (Doc. 215/79)
- a transfer of 3.7m EUA for exceptional food aid to Malta in the form of frozen pigmeat (transfer 17/79) (Doc. 221/79)
- a transfer of 360 000 EUA for compensation to salmon fishing in the Baltic Sea (transfer 22/79) (Doc. 1-254/79)
- a transfer of 68 300 EUA for the adjustment of the remuneration of officials of the Court of Auditors (transfer 23/79) (Doc. 1-248/79)
- a transfer of 14m EUA, including 5m EUA on which it had already delivered an opinion in July (transfer contained in Doc. 1-271/79).

Parliament notes this information.

11. *Authorization of reports*

President. — Pursuant to Rule 38 of the Rules of Procedure I have :

- instructed the Committee on Transport to draft a report on the memorandum from the Commission to the Council on the European Communities' contribution to the development of air transport services
- authorized the Committee on the Rules of Procedure and Petitions to submit a report containing proposals for the amendment of the Rules of Procedure.

12. *Urgent debate*

President. — I have received requests for urgent debate pursuant to Rule 14 of the Rules of Procedure on the following motions for resolutions :

- by Mr van Aerssen, Mr Luster and Mr Pfennig, on behalf of the Group of the European People's Party (CD Group), on the new provisions of criminal law in the German Democratic Republic (Doc. 1-280/79)
- motion for a resolution tabled by Mr Verges and Mr Denis, on behalf of the Communist and Allies Group, on emergency aid from the European Community to the people of Martinique, Guadeloupe and the Caribbean states ravaged by hurricanes David and Frederick (Doc. 1-283/79)
- motion for a resolution tabled by Mr Sable on behalf of the Liberal and Democratic Group on Community aid for the Caribbean region devastated by hurricane David (Doc. 1-308/79)
- motion for a resolution tabled by Mr Berkhouwer on behalf of the Liberal and Democratic Group on the situation in Cambodia (Doc. 1-320/79)
- motion for a resolution tabled by Mr Loo on behalf of the Socialist Group and Mrs Moreau on behalf of the Group of the European People's Party on forest fires in the Mediterranean Region (Doc. 1-326/79/rev.)

- motion for a resolution tabled by Mr Sarre, Mr Dido, Mr Jaquet Mr Schwartzberg, Mrs Charzat, Mr Lezzi, Mr Pelikan, Mr Zagari, Mr Ruffolo, Mr Ripa di Meana on behalf of the Socialist Group on the condemnation of repression in Argentina (Doc. 1-328/79/rev.).

The reasons supporting the requests for urgent debate are contained in the documents themselves.

In addition I have received from the Council a request for urgent debate, pursuant to Rule 14 of the Rules of Procedure, on the proposal from the Commission for a regulation amending the Staff Regulations of Officials and Conditions of Employment of Other Servants of the European Communities (Doc. 202/79).

The reasons supporting this request for urgent debate are contained in an addendum to the proposal (Doc. 202/79/Add.).

I shall consult Parliament on the urgency of these requests at the beginning of tomorrow's sitting.

13. *Order of business*

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

At its meeting of 10 September 1979 the enlarged Bureau drew up the draft agenda for the part-session, and this has been distributed (PE 59.324).

I would remind the House that, at the beginning of each part-session Parliament decides on the draft agenda submitted to it by the enlarged Bureau without alteration other than those proposed by or submitted in writing to the President by a political group or by at least 10 Members. Any such proposal must be received by the President at least one hour before the opening of the part-session. On such a proposal only the mover, one speaker in favour and one speaker against may be heard.

Once adopted, the agenda cannot be altered, except in application of Rules 14 and 32, or on a proposal from the President.

If a procedural motion to amend the agenda is rejected it cannot be tabled again during the same part-session.

At its meeting of 10/11 September 1979 an oral question without debate by Mr Faure, to the Council on agricultural market organizations and sheepmeat (0-32/79) was included in the papers of Parliament's Bureau. After verification it was found that the question had in fact been tabled within the deadline for debate at this part-session.

I therefore propose that it be placed on the agenda with the oral question with debate by Mr Pranchère and others, to the Council, on the same topic (Doc. 1-297/79) which is Item No 29 of Wednesday's agenda.

Are there any objections ?

That is decided.

President

After the meeting of the enlarged Bureau I received from Mrs Castle an oral question with debate to the Commission on statements by the Commission, with a request that it be placed on the agenda for the present part-session.

Pursuant to the Rules of Procedure this question will be submitted to the next meeting of the enlarged Bureau, on Thursday when it will decide whether the question can be entered on the agenda.

I call Mr Pannella.

Mr Pannella. — *(I)* Madam President, I wish to raise a point of order relating to the application of Rule 32 (e) and Rules 31 and 31A.

This may seem to be a purely formal or bureaucratic point, Madam President, but that is not in fact the case since it involves something which is inadmissible. The draft agenda states not only the opening time of our sittings, morning and afternoon, but also the closing time. My point is that it would appear from Rules 31 and 31A and from the President's observations that we cannot — without violating the rights of the Assembly and of the individual Members — set a specific time-limit for our work except — and perhaps this is abused — pursuant to Rule 28. This is a violation of the rights of the individual Members! How can we say that a free general debate will end at 8 p.m. or 9 p.m. when, pursuant to the Rules of Procedure, each Member may speak for five or ten minutes depending on the particular circumstances?

In my view, we should follow the custom of the many Parliaments whose Bureaux certainly set a guideline, but do not impose a rigid closing time for the debates held during the plenary sittings. Our Assembly cannot adopt any specific closing time because if there should happen to be 20 or 30, or even five Members on the list of speakers, with five minutes each, it would find itself in a dangerous and contradictory situation. If the majority of the Assembly were to decide on a specific closing time for the debates, this could have the effect of abolishing the rights of all Members.

It therefore seems to me inadmissible — and this is why I asked to speak pursuant to Rule 32 (e) — to have a draft agenda specifying the exact closing time of debates which are in fact open and whose length depends on the interest of Members and the number who have asked to speak.

President. — Mr Pannella, what you refer to is a guideline intended to enable Parliament to organize its business and to fix its agenda. It is not an iron rule. If it is necessary to continue the debate somewhat beyond the time laid down, we shall naturally do so. However in general, at least in the interests of the session administration and the staff as a whole — who

at the last part-session had to suffer because the debates were badly organized — at least minimum arrangements must be made regarding the time at our disposal.

With regard to the possibility of night sittings and the questions dealt with by the preceding Parliament, I propose that the Bureau should take up the matter again, even though it was already raised last July. I would point out that, although we are able to leave the sitting at certain times, the staff cannot do so. We must therefore arrange to suspend the sitting for one hour of lunch and one hour for dinner, otherwise we will make their lives impossible, and the work they do is indispensable. I take this occasion to thank the officials for their cooperation in organizing the work of Parliament.

Mr Pannella, the draft agenda was drawn up and approved at the last Bureau meeting. This matter was not raised at that time and I therefore feel that we should abide by what was decided.

Mr Pannella. — *(I)* Madam President, I should like to add briefly that I consider the principle whereby the vote of the sovereign Assembly may later be set aside, to be a very dangerous one. I can understand why it might be thought necessary to have some idea of the length of our debates. However, I continue to maintain, Madam President, that we may inform the groups of the expected length but that we cannot under any circumstances vote on the closing time of a debate without knowing how many names will be entered in the list of speakers. I should therefore like to ask that the closing time should not be put to the vote — this is not only a point of order but a plea — because otherwise our votes will become irrelevant. As regards the question of the staff, I am sorry, Madam President, but I consider that argument to be mere demagoguery. Either we employ other staff or it must be made clear to the staff that there is no specific closing time so that they do not think there is and then find it is not respected!

President. — There is no question for anyone of a rigidly fixed time and we have no intention of cutting short the debate. To take into consideration the situation of staff, and particularly of certain officials whose work is exhausting and difficult, is not mere demagoguery.

I call Lady Elles.

Lady Elles. — Madam President, Rule 31 A states very clearly that no Member may speak for more than three minutes on alterations to the draft agenda. I think that Mr Pannella has had more than three minutes already for his point of order.

(Applause from certain quarters on the right)

President. — I have received from Mr Glinne, on behalf of the Socialist Group, a request for the inclusion on the agenda for the present part-session of the vote on the draft Fifth Directive on the harmonization of company structures.

I call Mr Glinne, the author of the proposal.

Mr Glinne. — (F) Madam President, the rapporteur of the committee responsible has been authorized to move reference to committee. But for the sake of order we would still like to request that this item be placed on the agenda of the plenary sitting.

President. — I call Mr Vetter to speak in favour of the proposal.

Mr Vetter. — (D) Madam President, thank you for allowing me to speak on the agenda as the draft agenda before us does not provide for a vote on the Fifth Directive. I dispute this and request alteration of the agenda. The report is still in the hands of this plenary sitting and even if, on the decision of the appropriate committee, the rapporteur moves referral back to committee, this must be done in the plenary sitting and not in the closed sitting of the Bureau of Parliament. The plenary sitting and the general public have an institutionally safeguarded right to know what happens here. Madam President, the matter is sufficiently important to be brought to the attention of employees in our Community.

(Applause from various quarters)

The majority of the Legal Affairs Committee who made this request maintain that they are so unfamiliar with this report and the basic question of employee participation and the restructuring of company administrative organs, that there must be new discussions. I myself am a new Member of this House, but many Members, and in particular those who are behind this request, have been Members of this House for a long time. All they actually want is to move away with altered majorities from a compromise position which they agreed to in view of direct elections. They want to abandon this compromise as quietly as possible. This is only possible if it is requested by the rapporteur in his official capacity. However not to put this matter on the agenda at all raises the question of the fear of the majority Conservative parties, their fear of the European electorate.

(Interruptions)

I think they must be very afraid, as in its resolution of July 1974 the European Parliament decided by a large majority and with the votes of the then Christian-Democratic Group on a model for employee participation in public limited companies. This is meant to be the basis of the Fifth Directive.

President. — I call Mr Bangeman to speak against the proposal.

Mr Bangemann. — (D) Madam President, I will keep strictly to the opinion on the agenda as provided for in the Rules of Procedure.

(Mixed reactions)

I think that this is necessary. According to the Rules of Procedure, such an item can certainly be placed on the agenda of the plenary sitting. The request of the Legal Affairs Committee does not detract from the right of the plenary sitting.

However I would point out that under the Rules of Procedure such a request must be considered since the Rules give a committee the right to move referral back to committee through its chairman or rapporteur. We can therefore certainly discuss why it is to happen and at the same time give any necessary explanations. In particular we can show in the debate that none of the suppositions Mr Vetter has just made are true.

(Applause from various quarters)

President. — We have heard one speaker in favour and one against the motion. Henceforward Members may only speak for an explanation of vote.

(Applause)

I call Mrs Wieczorek-Zeul.

Mrs Wieczorek-Zeul. — (D) I would like to know from the President whether distinctions are being made here, and whether another speaker from this House is allowed unlimited time whilst the Chairman of the German Trade Union Association, in his capacity as a Member of the Socialist Group, is cut short? If distinctions are being made then I would like to request a detailed explanation.

(Applause from the left)

Mr Klepsch. — (D) I can be very brief. I am definitely of the opinion that the same rules ought to apply to everyone. It is an integral part of the Rules of Procedure that everyone only speaks about the order of business and does not make political speeches. If that spreads, it will be the end.

(Applause)

It will be the end because everyone would then make political speeches on the order of business. I would therefore like to make an urgent appeal to all Members that for every question relating to the order of business there should be only one speaker for and one against. If this is what large numbers in the House want, I myself think it would be sensible to put the item on our agenda, within the framework of our Rules of Procedure and then, as provided for in the Rules of Procedure, to move reference to committee, if the rapporteur so requests. I really do not understand the whole affair. It seems to be a dispute about

Klepsch

ties, and I do not think we ought to hold up the plenary sitting over such formalities any longer.

(Applause from the centre and the right)

President. — I call Mr Megahy.

Mr Megahy. — May I raise a point of order, Madam President? A moment ago, we were told that speakers would only be allowed to give an explanation of vote. The last speaker, Mr Klepsch, in fact went on to make a procedural point. I think that if you make a ruling on this you should stick to it. No wonder Members of this Assembly are finding it extremely difficult to follow the procedure, because we seem to be jumping about from one point to another. I think that if we reach the point in the debate where you ask speakers to give an explanation of vote, then speakers ought to confine themselves to an explanation of vote and not make further procedural points.

(Applause)

President. — I put to the vote the motion to enter on the agenda the draft Fifth Directive on the harmonization of company structures.

The motion is approved.

I propose that the vote be taken tomorrow at voting time.

Are there any objections?

That is agreed.

I have received from the European People's Party (CD Group) a request, pursuant to Rule 12 (2) of the Rules of Procedure for separate debates on the presentation of the budget for 1980 and the oral question on the implementation of the budget for 1979.

I call Mr Notenboom.

Mr Notenboom. — *(NL)* Madam President, we are grateful to the Bureau that the oral question with debate is item 34 on Thursday's agenda and also that this is to be dealt with on the same day as the budget debate. I just wish to request on behalf of my political group and the other political groups that the debate on items 33 and 34 should not be combined. Item 33, submission by the Council of the draft general budget for 1980 should occasion a debate with the Council, whilst item 34, the oral question on implementation of the 1979 budget should occasion debate with the European Commission. Item 33 therefore deals with the new 1980 budget and 34 with the implementation of the present 1979 budget. This is why we requested that both items should be placed on the agenda on the same day but not for joint debate.

President. — I put the proposal to the vote.

The proposal for separate debates is adopted.

I have received from Mr Ansart, on behalf of the French members of the Communist and Allies Group,

from Mr de la Malène, on behalf of the Group of European Progressive Democrats, and from 17 members of the Socialist Group, three requests to withdraw from the draft agenda the oral question with debate on Community armaments procurement programmes within the framework of industrial policy (Doc. 1-300/79) which has been placed on the agenda for Tuesday, 25 September. These motions have been tabled in accordance with the Rules of Procedure.

I call Mr Ansart.

Mr Ansart. — *(F)* First of all Madam President I wish to read Parliament the telegram I sent to you last Friday signed by myself and nine of my colleagues :

Considering oral question 31/79 on Community armament procurement programmes not to be within the jurisdiction of the European Assembly but within the sole competence of national parliaments, I am firmly opposed to the Bureau's decision to propose discussion of this question at the next session of the Assembly.

Indeed, Madam President, we think that this is an indirect attempt to discuss our country's defence. Let me repeat — this lies within the sole competence of our national assembly. As I said at the July part-session, we do not accept, under any circumstances or on any pretext, that our country's defence policy should be decided under the cover of European cooperation by an Assembly other than the French National Assembly. This is why I am requesting the Assembly to vote for withdrawal of this question from the agenda and pursuant to Rule 35 to proceed to a roll-call vote as I and nine of my colleagues have requested this in writing, Madam President.

President. — I call Mr Debré.

Mr Debré. — *(F)* I am very grateful to Mr Fergusson and Mr von Hassel. All through the campaign for the European elections every evening, or almost every evening, I predicted to the French people listening to me that almost as soon as it met the Assembly would be called upon to extend its sphere of competence, and in particular it would be invited to do so by trying to revitalize the tiresome business of the European Defence Union by means of a Community armaments policy. The Assembly has not been in existence three months. Mr Fergusson, Mr von Hassel and the Bureau, the majority of whom have followed their lead, have proved me right in such a striking way that some wits are asking whether I guided their hands. Defence falls neither directly nor indirectly within the competence of the European Economic Community. The sole competence of the Community is economic. This slick presentation cannot fool anyone. The words added at the end 'within the framework of industrial policy' are a sham. Armaments are governed either by strategic considerations or by military tactics.

I know what I am talking about. Like Mr von Hassel (and I think probably more so) I and our colleague,

Debré

Mr Pierre Messmer, have spent some time advancing Franco-German cooperation on armaments and also Anglo-French cooperation. In each case where did the problems, the divergences lie? Between strategic and tactical ideas. Strategy and tactics i.e. defence are the responsibility of governments, of individual governments. A Community armaments policy cannot be devised without a Community defence policy. There is no question of this. There can be no question of it here. It is outside the competence of the Community.

People say to me: the old Assembly which was not elected by universal suffrage debated this subject and voted on a motion. A member of our group then protested. Then in the French National Assembly I questioned the government which replied through its Minister for Foreign Affairs, that France considered these deliberations null and void because the Assembly had acted outside its competence. The change in the manner of electing Members in no way alters the rule of law. People say that an Assembly elected by universal suffrage may put what it likes on its agenda and vote on any question it pleases. Let me recall a principle of law which is the most profound expression of the social and political ethics of democracy. A national Assembly is bound to respect the Constitution by virtue of which it is elected. An international Assembly is bound to respect the Treaty by virtue of which it exists. To violate this rule of law is to open the door to great tyranny and disorder, or rather to open the door firstly to disorder and then to great tyranny. Our Assembly is not competent in defence matters, and it has no competence regarding armaments. I request that this question be withdrawn from the agenda.

(Cries)

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

Mr Fellermaier. — *(D)* Madam President, with all due respect, may I point out that two different yardsticks are actually being used as suggested earlier in a question from Mrs Wiczorek-Zeul.

(Applause from the left)

Mr Vetter's microphone was switched off without warning because he had exceeded three minutes and I think that there is normally prior warning. I am now wondering Madam President for what reason a few minutes later Mr Debré is allowed to read a whole text right to the last full stop.

(Applause)

I think Madam President that as a Member of Parliament one should be able to expect from the Chair that Rule 31 will be applied in full to an alteration to the agenda. This means that you, Madam President,

must see that every Member keeps to the three minutes limit, even if he is a former Prime Minister and leader of the Gaullist party.

(Applause)

President. — I call Mr Jaquet.

Mr Jaquet. — *(F)* Madam President, I am speaking in this debate on behalf of some Members of the Socialist Group. We too have tabled a motion requesting the withdrawal of Mr Fergusson's I would like briefly to give you our reasons.

What are we concerned with? We are fully aware that the problem of defence is being raised under cover of an oral question. The reference to NATO is also evidence of this and this naturally raises the question of the competence of this Community and Parliament. This has been defined by a Treaty and is imposed on all of us. Far be it from me to deny the importance of elections to the European Parliament by universal suffrage. These elections have given our Assembly greater authority and greater opportunities for supervision, but they have not altered the competence of the Community and the competence of Parliament. This is why we are requesting withdrawal of this question from the agenda.

If we attempt to extend the competence, believe me it will rebound on the Community itself. I am anxious to remove any doubts about this. This certainly does not mean that we are indifferent to defence problems or that we are blithely committing ourselves to neutrality. We are well aware that defence problems are important and even essential. However, we do not think that they should be considered in this Community and in these surroundings. May I add a final point Madam President. Today is the opening of the first real session of our Assembly, as the July session was an inaugural one. There are some very pressing problems to be considered: six million unemployed in the Community, the threat of recession, more vigorous action needed in the energy sector, the expansion of cooperation with the Third World. All these problems and many others come within the competence of the Community, but they do not appear on the agenda of the session. How can we think, when these problems do not appear on the agenda for discussion, that we can include a subject which is outside the competence of the Community? Try to imagine what the reaction of public opinion and the reaction of the citizens of our countries who judge us will be if we act in this way. It is for these reasons that in the name of some members of the Socialist Group we request the withdrawal of Mr Fergusson's and Mr von Hassel's question.

(Applause from various quarters)

President. — I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Madam President, all these motions are exactly the same ; they all ask for the withdrawal of this oral question with debate. Your ruling was that there should be one speaker in favour of the and one against and that the House would then vote. Now we have already had three speeches in favour of the motion for the withdrawal of this particular oral question with debate. I submit to you, Madam President, that you have been very liberal in allowing three people to speak for the same motion and I suggest that now you should allow somebody to speak against the motion and then put it to the vote of the House.

(Applause from certain quarters on the right)

President. — Mr Scott-Hopkins, the Rules of Procedure stipulate that for each proposal there shall be one speaker in favour and one against.

I call Mrs Castle to speak in favour of the motion.

Mrs Castle. — Madam President, I can well understand Mr Scott-Hopkins' desire to silence us, because of course the Conservative Party of Great Britain is deeply implicated in an attempt to turn this Community into a defence organization. I support — as do my colleagues in the British Labour Group in this Parliament — the call by Gerard Jaquet for the withdrawal of this oral question. We do so because this is the first step towards carrying out the long-term policy to embroil this Community in matters that were never visualized when it was set up. It is an attempt which is not disguised by the fact that the pretext is given that Community arms procurement falls within the framework of industrial policy.

Obviously, the first step has been urged with remarkable alacrity. I think it is an indication of the anxiety of the Conservative Group to move towards this defence organization that at our very first full meeting they have put down this misleading question. We in the British Labour Group do not believe that the problem of unemployment in Europe can be solved by setting up an industrial-military complex and then telling the workers of Europe that their jobs depend upon an arms race. Therefore we believe it is not a question merely of the competence of this Parliament. It is rather a question of the competence of the whole Community. The question is whether those of us who have gathered in this first directly elected Parliament want to turn the Community away from the economic problems with which it ought to be concerned and to transform it into something its originators never visualized. We therefore call for the withdrawal of this oral question.

(Applause from certain quarters on the left)

President. — I call Mr Scott-Hopkins to speak against the motion.

Mr Scott-Hopkins. — Madam President, following this rather strange procedure, I beg to submit to the House that the oral question with debate in Mr Ferguson's name is perfectly in order. I really have never heard such nonsense as Mrs Castle has just spoken. There has been no attempt to do any of the things she has just mentioned.

(Applause)

I would also ask her to notice that it has been tabled not only by my honourable friend from the European Democratic Group, but also by a member of the European People's Party. It is fully within the competence of this House to deal with the procurement of arms within the framework of industrial policy. We have just heard a speaker ask why we are not going to discuss unemployment, yet masses of people are employed in this industry and in other related industries, electronics for instance, which are vital to the Community's economy. I submit that it is perfectly right and proper to keep this question in the form in which it was tabled and to ask the Commission whether or not it intends to have discussions with NATO and other organizations in the Member States to define a Community armaments programme within the framework of industrial policy. That seems to be perfectly within the competence of this House and within the competence of the Community. There is no question of going outside it in asking this question.

I can understand Mr Debré saying the things he said, though I disagree with him for taking such an extreme view as to what this question is actually about. However, even he must be concerned about the problem of trying to coordinate a procurement policy for armaments within the Community. Industry in all our countries is deeply involved in this, and it has profound implications for employment. Is this House really not going to discuss these matters, is it going to turn its back on them and say that they are not important or that they are going outside the original terms of the Treaty of Rome? I would beg to argue that the House would be quite wrong if it did so. They are matters of great importance to all of us, no matter what we may think, no matter where we stand in the political spectrum. They affect our constituents deeply, and I am quite certain that it is right for this House to debate this matter in the form of an Oral question with debate to the Commission and to come to conclusions.

Therefore, Madam President, I propose that this resolution be rejected by the House and that we hold a debate on the oral question as set out in Document 300/79.

(Applause from the right)

President. — I call Mr Bangemann.

Mr Bangemann. — (D) Madam President, I can state for my group that we are in favour of discussing this industrial cooperation within the Community for the following reasons: I will restrict myself to whether or not we can discuss it without making observations on the actual subject at this point. I accept what Mr Debré stated without investigating its accuracy, but I would suggest, firstly, that the European Community is purely an economic community. If this is the case then one cannot exclude from this economic community such an important area of industrial policy, i.e. the industrial policy which concerns specific industrial products, provided, and I am still following the lines of his argument, that one concentrates on the industrial policy measures the Community can use to bring about cooperation in this area as provided for in the Treaty. I think that this cannot be disputed, as it certainly falls within the framework of the Treaties.

Secondly, I would like to add that Mr Debré's supposition is wrong, as these treaties do not only provide for discussion of questions relating to economic cooperation, but also for these economic problems to be put in a general context as we have done in various ways in the past.

Let me turn to my Socialist and Communist colleagues for a moment. No one from the Communist Group or from the Socialist Group protested, nor can I remember a protest from the Gaullist Group when we discussed the results of Helsinki and Belgrade in this House within the framework of European political cooperation.

(Applause from the right)

The Council of Ministers made a report. We had a wideranging discussion on it. We decided on the motion for a resolution, although the results of Helsinki and Belgrade definitely had far more to do with real defence policy than the oral question tabled here on cooperation in industry.

I think that this position too is wrong, thirdly, Madam President, I wish to add the following: a Parliament which leaves the discussion of such matters to the Council of Ministers, the Commission or perhaps national parliaments will without any doubt set itself such narrow limits that it will not be able to do what people demand of it. Political problems should be discussed and we want to do no more and no less.

(Scattered applause from the right)

President. — I call Mr Fergusson to speak against the proposal.

Mr Fergusson. — Madam President, as one of those who put down this question I would like very humbly to make three points only. The first is this: the fact

that the Klepsch report dealt precisely and coterminously with the matters raised by my question indicates not only that it is a proper subject for debate, but that, because the Commission has hitherto not responded satisfactorily to Parliament's resolution of June 1978, it would be improper and a dereliction of our obligations not to debate it.

Secondly, Madam President, you have already made clear in a press conference that the question only concerns a vital aspect of our common industrial policy, and it is not the intention of myself or of this group in discussing the procurement and marketing of armaments to stray or to be lured, even by Monsieur Debré, from the area that you have declared to be in order.

Thirdly, let it be clear to everybody that the question was put down as a challenge to the Commissioner responsible for industry and to nobody else. Our sincere hope remains that in a matter of great importance to the industrial prosperity of the Community, in which unemployment is already so vast, we can carry most of this Parliament with us.

(Applause from certain quarters on the right)

President. — I call Mr Gendebien.

Mr Gendebien. — (F) I wish to speak as an Independent, not adhering to any official ideology — as a European, and say that any method of making Europe emerge from its divisions, its weakness, its dependence — Gaullists please note — falls within the competence of the European Parliament, because historically has anyone ever taken part in an attempt to create any lasting political association which has not at the same time had the means of implementing its policy? I think therefore that we must have the courage in this Parliament to deal with defence questions.

Also I would say to the Left that it is the time to talk about the limitation of arms and the very serious and scandalous question of selling arms worth millions to the Third World every year. This question too should be dealt with thoroughly by our Parliament.

President. — I have received from Mr Ansart a request for a roll-call vote. I would remind the House that, pursuant to Rule 35 (4), this request must be submitted by at least ten Members. I ask the authors of the request to please stand. I note that at least ten Members support this request.

We shall now draw by lot the name of the Member with whom the roll-call will begin.

The roll-call will begin with Mr Buttafuoco. I call on the Secretary-General to proceed with the roll-call.

(The roll-call was taken)

President

Does anyone else wish to vote ?

The ballot is closed.

The sitting is suspended for a few minutes to enable the votes to be counted.

(The sitting was suspended at 6.45 p. m. and resumed at 7 p. m.)

President. — The result of the vote is as follows :

Number of Members voting : 299

Abstentions : 4

Votes cast : 295

Votes in favour : 87

Votes against : 208

The motion to amend the agenda is rejected

(Applause)

The following Members voted in favour of the motion :

Adam, Albers, Ansart, Anquer, Baduel Glorioso, Baillot, Balfe, Barbarella, Bøgh, Bonaccini, Bonde, Boserup, Boyes, Caborn, Caretoni Romagnoli, Carosino, Castle, Cervolo, Chambeiron, Chouraqui, Cinciari Rodano, Clwyd, Colla, Collins, Combe, Cronin, Damette, D'Angelosante, Davern, Debré, Deleau, Delors, De March, Denis, De Pasquale, De Valera, Didó, Druon, Enright, Estier, Gaspard, Gillot, Gouthier, Gredal, Griffiths, Groes, Hammerich, Van den Heuvel, Hoffman, Ippolito, Jaquet, Josselin, Key, Krouwel-Vlam, Labbé, Lalor, Leonardi, de la Malène, Martin, Martinet, Megahy, Messmer, Van Minnen, Moreau, Nyborg, Oehler, Percheron, Piquet, Poirier, Rossi, Roudy, Ruffolo, Sarre, Schwartzberg, Skovmand, Squarcialupi, Vayssade, Veronesi, Woltjer, Wurtz.

The following Members voted against the motion :

Adonnino, van Aerssen, Aigner, Alber, Almirante, Antoniozzi, Arfé, Balfour, Bangemann, Barbagli, Barbi, Battersby, Baudis, Beazley, Berkhouwer, Bersani, Beumer, von Bismark, Blaney, Blumenfeld, Bocklet, Bonino, Boot, Brookes, Buttafuoco, Calvez, Capanna, Cariglia, Cassanmagnago Cerretti, Castellina, Catherwood, Cecovini, Clinton, Colleselli, Coppierters, Costanzo, Cotterell, de Courcy Ling, Croux, Curry, Dalsass, Dalziel, Damseaux, Dankert, De Clercq, Dekker, Lelatte, Delmotte, Diligent, Donnez, Douro, Elles, Estgen, Fellermaier, Fergusson, de Ferranti, Ferri Filoppi, Fischbach, Focke, Förster, Forth, B. Friedrich, I. Friedrich, Früh, Fuchs, Gabert, Gaiotti De Biase, Galland, Gatto, Gendebien, Geurtsen, Ghergo, Giavazzi, Glinne, de Goede, Gonella, van der Gun, Haagerup, Hapsburg, Hansch, Hamilius, Harris, Helms, Henckens, Herklotz, Herman, Hoff, Hooper, Hord, Howell, Hutten, Irmner, C. Jackson, R. Jackson, Janssen van Raay, Johnson, Jürgens, E. Kellett-Bowman, M. E. Kellett-Bowman, Kirk, Klepsch, Klin-

kenborg, Kühn, Lange, Langes, Lenz, Lezzi, Ligios, Lima, Linde, Lomas, Lücker, Luster, Maij-Weggen, Majonica, S. Martin, Mertens, Michel, Modiano, Møller, Moorhouse, L. Moreau, Moreland, Muntigh, Newton Dunn, Nicolson, T. Nielsen, Nord, Nordlohne, Normanton, Notenboom, Nothomb, Orlandi, d'Ormesson, Pannella, Patterson, Pearce, Pedini, Pelikan, Penders, Peters, Petronio, Pfennig, Pflimlin, Plumb, Pöttering, Poniatowski, Prag, Price, Prout, Provan, Pruvot, Pürsten, Puletti, Purvis, Rabbethge, Radoux, Rey, Rhys Williams, Roberts Salisch, Sassano, Schall, Schieler, Schleicher, Schmid, Schmitt, Schnitker, Karl Schön, Konrad Schön, Schwenke, Scott-Hopkins, Schrivener, Seefeld, Seeler, Seitlinger, Seligman, Sherlock, Sieglerschmidt, Simmonds, Simpson, Spicer, Stewart-Clark, J.D. Taylor, J.M. Taylor, Tolman, Travaglini, Turner, Tyrrell, Vanderpoorten, Vanderwiele, Vanneck, Vergeer, Verroken, Vetter, Vondeling, von der Vring, Wagner, Walz, Warner, Wawrzik, Weber, Welsh, Wettig, Wieczorek-Zeul, von Wogau.

The following Members abstained :

Delorozoy, Sablé, Seal, Veil.

I draw your attention to the inclusion on the agenda for Wednesday, 26 September of an oral question with debate by the Committee on Development and Cooperation, to the Commission, on the massacres in the Central African Empire. In view of the recent events in that country, I ask the authors if they wish the question to remain on the agenda.

Mr Bangeman. — *(D)* Yes.

President. — The question will remain on the agenda.

I call Mr de Goede.

Mr de Goede. — *(NL)* Ladies and gentlemen, on Wednesday's agenda are four oral questions each of which deals with a certain aspect of the energy problem. I think it appropriate that these questions have been asked and that they are to be discussed next Wednesday. But, Madam President, I think we are failing to a certain extent if we limit discussion of this problem to these four questions. What is the position? Firstly these questions only relate to certain aspects of the energy problem. Secondly, an oral question is not a suitable instrument to force Parliament into making a statement. I repeat the question put by Mr Bangemann in another context, namely, why should we limit the possibilities so much that we cannot expand them. Why should we not give the debate next Wednesday a broader basis and expand it into a general debate on energy problems in the Community? At the moment there is hardly a more pressing problem than that of energy.

de Goede

Madam President, in this context may I remind Members that in our previous session, i.e. two months ago, a motion for a resolution was tabled with Mr Coppieters as the first signatory and then a number of others including myself. This motion for a resolution was tabled in connection with the last meeting of the European Council.

I want to be very brief. Let me reiterate, the energy problem is very urgent and very important. Increasingly alarming information is being disseminated by the OECD, the IMF and other international organizations on the consequences of the energy crisis for the European Communities: inflation, low economic growth rate and higher unemployment. Madam President, I wish to make a concrete proposal that the chairman of the Committee on Energy should be requested to call a meeting of his committee tomorrow so that they can give their opinion (and this can certainly be done after two-and-a-half months) on this motion for a resolution which inexplicably was not declared urgent by Parliament at the last part-session. If the committee meets for half an hour tomorrow on Resolution 237/79 and can decide to advise Parliament to consider this motion for a resolution in Wednesday's debate, then I think the debate will have more depth and will lead to one or more statements by Parliament on such an urgent matter.

President. — I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — I am getting a little confused, Madam President, as to what exactly we are doing now. You explained to us at the beginning of this afternoon's sitting the procedure for any discussion of the agenda. It now seems we are having a general debate and that people can say what they want and what they do not want. Did the honourable Member write to you concerning his wish to have this item placed on the agenda? I did not see it in the Bureau. I really do think we are getting a little out of control, Madam President, if the debate is going to range as widely as this and if everybody can put forward their own pet ideas as to what they want included on the agenda. We used to have that, but we stopped it. For heaven's sake, Madam President do not let us start it again now.

(Applause)

President. — Under Rule 31A a Member who so requests may be allowed to speak for three minutes on the draft agenda. I would point out to Mr de Goede that no request for a general debate on energy has been received. It is for the Committee on Energy and Research to submit such a request when it has drawn up its report.

The order of business will therefore be as follows:
This afternoon

- Procedure without report
- Statement by the Commission on action taken on the opinions and proposals for Parliament

— Oral question with debate to the Commission on data protection in the Community

— Oral question with debate to the Commission on transit traffic

Tuesday, 25 September 1979

10 a.m. and 3 p.m. to 8.00 p.m.:

— Luster report on the amendment of Parliament's Rules of Procedure

— Oral question with debate to the Commission on compensatory amounts

— Oral question with debate to the Commission and oral question without debate to the Commission on butter exports to the Eastern countries

— Oral question with debate to the Commission on the Italo-Tunisian fisheries agreement

— Oral question with debate to the Commission on freedom of trade

— Oral question with debate to the Commission on armaments procurement

3 p.m.:

— Question Time (questions to the Commission)

3.45 p.m.:

— Voting time

Wednesday, 26 September 1979

10 a.m. and 3 p.m. to 8 p.m. (possibly until 9 p.m.):

— Four oral questions with debate, two to the Council and two to the Commission, and one oral question without debate to the Commission on energy problems

— Oral question with debate to the Foreign Ministers on European political cooperation

— Oral question with debate to the Foreign Ministers on a common system of extradition

— Oral question with debate to the Council and oral question without debate to the Council on sheepmeat

— Oral questions without debate to the Council and Commission on South-East Asian refugees

— Oral question with debate to the Commission on the massacres in the Central African Empire

3 p.m.:

— Question Time (questions to the Council and the Foreign Ministers)

4.30 p.m.:

— Possibly voting time

— Provided the motion for a resolution contained in the Luster report is adopted, election of questors

Thursday, 27 September 1979

10 a.m. and 3 p.m. until 8 p.m. (possibly from 9 p.m. onwards)

— Presentation of the draft general budget of the Communities for 1980 (followed by debate)

President

- Oral question with debate to the Commission on implementation of the 1979 budget of the Communities
- Commission statement on air transport (followed by debate)

3 p.m.:

- Question Time (questions to the Commission)

3.45 p.m.:

- Possibly, voting time

Friday, 28 September 1979

9 a.m.:

- Procedure without report
- Possibly, continuation of Thursday's agenda
- Possibly, voting time
- Oral question without debate to the Commission on agricultural expenditure
- Oral question without debate to the Commission on national contributions to Community expenditure
- Oral question without debate to the Commission on the misuse of Community funds
- Oral question without debate to the Commission on the sale of sugar surpluses

End of sitting:

- Possibly voting time

As there are no objections, the order of business is agreed.

14. *Speaking time*

President. — Since at the present stage of the budgetary procedure it was unlikely that, having adopted the draft budget at its meeting of 11/12 September, the Council would be able to forward it to Parliament by 24 September, the enlarged Bureau decided at its meeting of 10/11 September to organize the budgetary debate in accordance with the speaking time shown in the Bulletin. However, I have received from the Socialist Group a request that the duration of the debate be increased to six hours, with four hours for Members, the total time to be allocated as follows:

| | |
|-------------------------------|-------------|
| — Council | 40 minutes |
| — Commission | 40 minutes |
| — Rapporteur | 30 minutes |
| — Author of the oral question | 10 minutes |
| — Members | 240 minutes |

broken down as follows:

| | |
|---|------------|
| Socialist Group | 55 minutes |
| Group of the European People's Party (C-D Group) | 53 minutes |
| European Democrats | 35 minutes |
| Communist and Allies Group | 28 minutes |
| Liberal and Democratic Group | 26 minutes |
| Group of European Progressive Democrats | 18 minutes |
| Group for the Technical Coordination and Defence of Groups and Non-attached Members | 15 minutes |

Non-attached Members

10 minutes

I have also received a request from the Group for the Technical Coordination and Defence of Independent Groups and Members that the provision of Rule 12 concerning speaking time should not apply to the budget debate.

I first put to the vote the request of the Group for Technical Cooperation and Defence of Independent Groups and Members.

The request is rejected.

I put to the vote the proposal of the Socialist Group regarding the allocation of speaking time.

The proposal is adopted.

For the budgetary debate speaking time will be allocated as proposed by the Socialist Group.

For all other reports and the motions for resolutions on the agenda I propose, in keeping with our normal practice, to limit speaking time as follows:

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

Are there any objections?

That is agreed.

Now that I have acquired an accurate stop-watch, I shall in fact stop speakers as soon as they have reached the end of their speaking time. I would therefore ask you not to impose on me the disagreeable duty of cutting off speeches. However, I would ask that a light be used to warn the speaker a few seconds before his speaking time is up so that he will not be obliged to stop in mid-sentence.

I call Mrs Bonino.

Mrs Bonino. — (I) Madam President, ladies and gentlemen I merely wish to ask for an explanation. As I previously had the impression that the Assembly had unanimously decided to divide the budget debate into two parts, taking first of all point 33 and then point 34 as two separate items, I simply wish to ask for the President's interpretation on the following matter: does the speaking time which we have now adopted refer to each item or to the debate as a whole, with the question of the division of speaking time being decided within the groups? I consider that the discussion of two separate items implies two quotients of speaking time, but I should like an explanation from the President to ensure the smooth running of proceedings.

President. — We have decided to divide the question, but there will be only one debate lasting six hours, which is all the time that can be devoted to the matter during this part-session.

I call Mrs Dekker.

Mrs Dekker. — (NL) Madam President, there is a small point of procedure which I should like to put to you in connection with our preparation for the debates, more particularly the debate on the budget. I am raising this point because last time I very nearly became a victim, as it were, of the allocation of speaking time among the non-attached members. Could you please indicate at an early stage how you intend us to organize the allocation of the five or ten minutes speaking time we have obtained with considerable difficulty? In other words, if we are given ten minutes speaking time for, say, fifteen non-attached members, how is the speaking time to be controlled? Simply by switching off the microphones? I should be grateful for an answer to this question, as this will enable us to prepare ourselves for our speaking time.

President. — I call Mr Bangemann.

Mr Bangemann. — (D) Madam President, I think that the non-attached members ought to be able to settle this question amongst themselves. I should like to inform you and the House — this is the first of two points — that the chairmen of the political groups instructed me at their last meeting to discuss these and other matters connected with technical organization with the non-attached members.

I have already sent an invitation to the non-attached members. I hope that they will have received this letter today. We should be able to settle all these questions amongst ourselves at this meeting. However, if that is not possible then the only solution is for the enlarged Bureau or someone else to take a decision, as it were, *ex cathedra*, which is not desirable for the non-attached members.

I shall therefore bow to the wishes of the other group chairmen and endeavour to help those non-attached members whose interests have so far never been represented here to find a solution. We may well succeed. If we do not, then an *ex cathedra* decision will have to be taken, but it would surely be a better course if we were to try to find a solution together.

President. — I call Mrs Dekker.

Mrs Dekker. — (NL) Madam President, I should like to respond to what Mr Bangemann has just said. The meeting, which we shall be glad to attend, — and we thank the group chairmen for their initiative — unfortunately will not take place until Wednesday lunch-time, and therefore probably too late to organize the debate on the budget.

As regards what has been proposed, namely that the non-attached members should arrange the allocation of time amongst themselves, I should like to make the following points: (a) the non-attached members encompass a number of different political groupings,

(b) we do not yet know each other and (c) as I mentioned, I myself nearly became a victim of this internal allocation.

The fact is that only the President can control the microphones and it is therefore up to her to control the allocation of time among us. After all, we cannot stand here and deliver our speech in thirty seconds with a stop-watch in our hand: this did not work last time. This is why I want to see the matter settled satisfactorily at the outset. As for the other point, I will be glad to attend your meeting.

President. — Speaking time has been fixed in accordance with the Rules of Procedure in a way which, I would stress, favours non attached Members. The Socialist Group's proposal cannot be altered since it has been adopted. However, as Mr Bangemann has said, I hope we shall be able to go into the question in greater detail in the future.

15. *Deadline for tabling amendments*

President. — I propose that Parliament fix the deadline for tabling amendments on the Luster Report (Doc. 1/282/79) at 7 p.m. today.

Are there any objections?

That is decided.

I further propose that the deadline for tabling amendments to any motions for resolution which may be added to the agenda for this part-session be set at 6 p.m. on the day preceeding the debate.

Are there any objections?

That is agreed.

16. *Conduct of sittings*

President. — Ladies and Gentlemen, we have a very heavy schedule. I therefore ask Members to help ensure the smooth running of the part-session by making their speeches as concise as possible. This will also allow us take account of the decisions taken by Parliament in February 1979 namely that Monday's and Tuesday's sittings should end at 8 p.m.; Wednesday's sitting should end at about 9 p.m. and that a night sitting, proceeded by a one-hour break night be scheduled for Thursday. Moreover, sufficient time should be allowed for lunch between the morning and afternoon sittings.

I am sure that I can count on your cooperation.

17. *Procedure without report*

President. — Pursuant to Rule 27A (5) of the Rules of Procedure the following Commission proposals have been placed on the agenda of this sitting for consideration without report:

President

— proposal from the Commission of the European Communities to the Council for a regulation on exceptional food aid to the Republic of Malta in the form of pigmeat (Doc. 204/79)

which has been referred to the Committee on Development and Cooperation as the committee responsible, and to the Committee on Budgets and the Committee on External Economic Relations for their opinions ;

— proposals from the Commission of the European Communities to the Council for :

I a regulation amending Regulation (EEC) No 1117/78 on the common organization of the market in dried fodder

II a regulation fixing for the 1979/80 marketing year the flat-rate production aid for dehydrated potatoes (Doc. 218/79)

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

— proposal from the Commission of the European Communities to the Council for a regulation amending the Common Customs Tariff in respect of wines (Doc. 1-256/79)

which has been referred to the Committee on Agriculture ;

— proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 358/79 on sparkling wines produced in the Community and defined in item 13 of Annex II to Regulation (EEC) No 337/79 (Doc. 1-261/79)

which has been referred to the Committee on Agriculture.

Unless a Member asks leave to speak on these proposals or amendments are tabled to them before the opening of the sitting on Friday, 28 September 1979, I shall declare the proposals to be approved by Parliament.

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

President. — The next item is the communication from the Commission on action taken on opinions and proposals of the European Parliament.¹

I note that there are no requests to speak on this item.

19. *Data protection in the Community*

President. — The next item is the oral question with debate (Doc. 1-287/79) by Mr van Aerssen and Mr Alber, on behalf of the European People's Party (CD Group) to the Commission :

Subject: Data protection in the European Community
In view of the steep increase in the utilization in international fields of data deriving from national sources but

freely transmitted in particular between the Member States of the European Community, would the Commission indicate what legal and genuinely effective remedies are available to the citizen affected against the improper use of nationally protected data in the territory of the Community in cross-frontier traffic and what its attitude would be towards the setting up of an official international or Community body to control the cross frontier transmission of data ?

I call Mr van Aerssen.

Mr van Aerssen. — (D) Madam President, ladies and gentlemen. The Group of the European People's Party (CD) has tabled a question on data protection, in order that the results of the old Parliament's endeavours in this field should not go unrecognized by the new Parliament. We feel that we should continue, expeditiously and resolutely, to build upon this foundation.

Madam President, my group is of the opinion that we are moving from an industrialized society into a modern computerized society, in which data processing is an essential element, but also one which offers the individual a great opportunity to develop his creativity to the full and thereby solve many of the major problems in the European Community. We are not afraid of the computer age, because we realize that the computer and the possibilities it opens up are only a means to help solve our problems and not an end in themselves. On the other hand, we also know that modern computer technology enables us to compose a kind of 'X-ray' picture of an individual using the data collected by the computer, and it is here that the great danger lies. This was also why the former European Parliament devoted close attention to the problems of data protection.

A number of countries, such as the United Kingdom and the Federal Republic of Germany, have national laws covering this issue, and I understand that a data protection law is currently being drafted in the Netherlands. But there is one problem that we have not yet solved, namely what happens in the case of cross-frontier data traffic, in other words when data which is covered by data protection legislation are transmitted from one country to another? We call upon the Commission to draw up a directive as rapidly as possible with a view to coming to grips with this problem. It is not our desire to create some new super-authority or supervisory commission or inspection board, to be guided and directed by the European Community. Our concern is that the Commission should coordinate the different national legislations in this directive and make national legislation compatible — to borrow a term from the data-processing world — so that there are no loopholes. I am sure that the Commission realizes that there have been

van Aerssen

instances of transborder movement of data in the past where data protection has not worked.

Madam President, in our opinion there are three fundamental issues which should be central to any discussion of this subject in the coming years. First: the establishment of a balance of information. This is the principle of the equality of all individuals in a modern computerized society.

All individuals must have the right of access. — that is controlled access — to the data which are collected at any point; the principle of equality is thus transposed to the field of information. This point is absolutely vital in our view. We also believe that the Commission should embody this kind of principle in a directive.

Second principle: the legality of the processing of public information. It cannot be right that data should be accumulated solely on the basis of technical considerations. No, we live in a modern constitutional state and we want to see data processing linked to a legislative decision, a legal foundation.

The third principle is that data protection must be clear-cut and controlled. Data protection should not lead to a situation where innovation in the European Community is impeded or where the free movement of information across borders is hampered. We do not want a bureaucracy. What we do want is effective protection, which the Commission should guarantee by means of coordinating directives. We call upon the Commission to prepare such a directive as speedily as possible and ask it to endorse OECD resolution of 22 June 1979, which sets out in principle the most important points.

(Applause)

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call Mr Natali.

Mr Natali, Vice-President of the Commission. — *(1)* Madam President, I should first of all like to state that the Commission is perfectly aware of the importance of the problem, both as regards the issues relating to technological and scientific developments and as regards the aspect of data protection.

Mr van Aerssen knows that certain Member States have already enacted legislation in this field — namely, the Federal Republic of Germany, Denmark, France and Luxembourg. Clearly, once suitable legislation exists, recourse may be had to the specific protection procedures contained in these laws not only by the citizens of the States concerned, but also by citizens of other Member States. Unfortunately, in those Member States where no specific legislation

exists, the sole redress against the illegitimate use of personal data at present consists in the general legal protection provided for under national law, such as appeals to ensure the rectification of errors and to obtain compensation or the destruction of records.

I have already said that the Commission is perfectly aware of the need for international rules for the protection of personal data. I would add that the Commission is convinced that these rules ought to be adopted as soon as possible.

The author of the question knows that, when the earlier motion for a resolution by Mr Bayerl was adopted, Mr Davignon kept the Legal Affairs Committee permanently informed of the progress made in the Commission's preliminary work.

The problem facing us is a topical one. As is known, a draft international convention on this subject has recently been drawn up by the Council of Europe. The current text of this convention stipulates that information of a personal nature should be recorded and processed only within extremely strict limits. In particular, it is based on the principle that the compiling of data must be carried out in a legal and lawful manner and justified by legitimate objectives, and that, at the processing and transmission stage, the holder of the data must not exceed the limits of those objectives. The data must also be correct and its accuracy subject to regular scrutiny. The convention grants people a general right of information and rectification, together with the right to demand the destruction of data which is inaccurate or which has been illegally recorded. These are the principles which were referred to by the questioner in his brief but clear statement.

We consider that if this convention were to be signed in the near future and subsequently ratified by the Member States, it could make an effective contribution to the solution of the problem which has now been raised again in this House. At present, however, it is not yet certain that the States concerned will succeed in reaching agreement on a system acceptable to the Community of international exchanges of data between countries whose legislation provides for the minimum guarantees and rights laid down in the convention. In this connection, and in answer to the question which I have been asked, namely whether the Commission intends to submit a proposal for a directive pursuant to the resolution adopted by the Assembly on 8 May 1979, I have to say in all frankness that, at the moment, we prefer to see how the situation develops in the Council of Europe. We know perfectly well that the Commission has specific responsibilities in this field, but we feel that at the present time it would be preferable to see to what extent the Council of Europe's solution will be successful. Subject to these considerations, the Commission naturally intends to submit appropriate proposals.

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

Mr Sieglerschmidt. — (*D*) Mr President, ladies and gentlemen, the question tabled by the Christian Democratic Group, which my colleague Mr van Aerssen has just presented gives the impression that this is the first time that we have dealt with these problems; that they are, so to speak, pastures new. But then in his statement he made it clear that this is not the case. Indeed, discussion has been going on on this subject both in the Commission of the European Communities and in Parliament since 1973. Extensive preparatory work has been done, culminating in a report referred to here by the Commissioner, written by Mr Bayerl, a colleague from my group, and this resolution with its accompanying recommendations was adopted — unanimously, I think, or at least by a large majority — by Parliament on 8 May. A subcommittee was set up and also a Commission working group — I think that all this should be borne in mind — and, in my view, the OECD resolution which my colleague Mr van Aerssen mentioned is not as important as Parliament's decision in this instance on the recommendations of Mr Bayerl and the Legal Affairs Committee.

There is a unanimous feeling that legal protection of this kind is necessary at European Community level. Unfortunately the short time of five minutes does not allow me to go into the details I would have wished why legal protection is necessary. First of all I should like to say what my group — as Parliament unanimously decided on 8 May — continues to consider as important.

Firstly, we feel that the directive — and in saying this I am already making it clear that we want a directive, Mr President — should be based on the highest level of protection within the Community, that is to say on the legislation of that Member State which provides the maximum degree of protection.

Secondly, we want data banks not to be subject to some inspection body checking for abuses but — as is the case already in some Member States and countries outside the Community — to be subject to approval,

Finally, to cover the case of damages which citizens may suffer as a result of data banks making improper use of data or giving false information, — this kind of thing can apparently occur — we want the principle of presumption of liability and not proven liability for damage due to negligence to apply. This would mean that citizens would have a claim in every case which can be substantiated and therefore do not have to supply a lengthy proof of actual negligence.

However, Mr President, I should like to take up, in particular, the Commissioner's final comments. He

said — and this ties in with what Commissioner Davignon wrote in a letter to Parliament's Legal Affairs Committee in January of this year — that the Commission did not intend to consider drawing up a directive or even addressing the question of the desirability of such a directive until the work of the Council of Europe was completed.

Mr President, I am bound to say that we cannot share this view. The European Community has better legal instruments at its disposal than the Council of Europe, which can only draft a Human Rights Convention. Furthermore, the European Community has a vital interest in settling this question of whether a directive is the appropriate instrument. However, this does not mean that we should not endeavour to coordinate our action with the contents of the Council of Europe's regulations.

I would be very grateful if the Commissioner could let us — at least the members of the Legal Affairs Committee — have a copy of the draft from which he has just been quoting and of which we know no details as yet. We feel that the Commission should make a start without delay on drawing up the directive — especially since it already has the Council of Europe's draft — and should not wait for the views of other member countries of the Council of Europe on this matter or the reactions to the Council of Europe's convention in the Member States. No, the draft directive must be tabled as soon as possible, and we should like this to be done — as we say in German legal terminology — without undue delay!

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

Mr Alber. — (*D*) Mr President, ladies and gentlemen. Electronics is widely considered, and quite rightly, as the third revolution, and data-processing, which is part of this revolution, is still only in its infancy. However, many people are already afraid of computers and data accumulation, and it is my belief, precisely because this subject is an extremely sensitive one, that we need appropriate legislation. Without that there is the possibility that political capital will be made out of the emotional fears of citizens, and I feel that this would be counter-productive.

However, this is not the only reason for needing a legal regulation, because what is at stake here is quite simply the legal protection of the citizen and, because there are very many unresolved questions, a regulation is needed. There is no control on international data movements, which are increasing. National legislation often has protectionist tendencies which can in fact lead to cross-border movement of data.

Alber

This is a situation which cannot be allowed to continue and one which cannot be covered by national regulations. At this point I should like to make it clear that, although national regulations do indeed exist in various countries, they are unfortunately not compatible; in fact, what is applicable in one country is often the opposite of normal practice in another. Before conflicting legislation develops in this area which we will subsequently find difficult to harmonize, it would be sensible if we made a start on a regulation which meets a European standard. I think that the Commission would be well advised to coordinate as soon as possible. I am also of the view that we should not wait until the Council of Europe has completed its work. It is hard for me to say this because I am also a member of the Council of Europe. But this body is too large and its interests too varied and it simply cannot work that fast. Moreover, it is also debatable whether a convention will be drafted and then whether it will be ratified by the individual countries. We should therefore get on with our work, naturally in parallel with the Council of Europe, but certainly not in a subsidiary role. We should look at the problems to find solutions, before we have to contend with conflicts and disputes. Time does not permit me to go into details. We have of course the Bayerl report which makes a number of proposals, drawn up in a sub-committee which I had the honour to chair, and I shall naturally be referring to this report, which we adopted unanimously.

As I see it two things are necessary above all: firstly, regulations for the cross-frontier movement of data and secondly, a supranational body responsible for providing protection and access for the citizen, along the lines of the data protection ombudsman or parliamentary committees which exist in some countries, and we should also give some thought to how the European Parliament as such can be integrated into a European data protection organization.

At this point I should like to recall that Parliament has always been very open-minded and active in these matters. This, to be fair, also applies to the Commission. This is why I am very grateful to Mr Natali for his report. In my view the restricting influence in this case — as in many cases — is the Council. But we should not allow ourselves to be affected by this. I should also like to ask the Commission to maintain its favourable stance on this issue and to submit a directive as soon as possible.

President. — I call Mr Prout to speak on behalf of the European Democratic Group.

Mr Prout. — Mr President, I fully support what the last speaker said, and I should like to address myself very briefly to three questions: first of all, why is this issue important; secondly, why is there a problem; and thirdly, what is the right solution.

Of course, the issue has none of the drama of the massacre in the Central African Empire or the problem of the Vietnam refugees, but it is an issue which is extremely important to our freedoms in Western Europe. I see it very much as part of the programme for the protection of the individual Community citizen. If we are not careful and do not control the terrific escalation of electronic data collection, we shall find that the precious liberties that we have accumulated over the past few hundred years in this part of the continent are rapidly eroded. That is why it is an important issue.

Secondly, the problem lies in the international nature of the computer and the international nature of data accumulation. Different nations in Western Europe have reached different conclusions about the right to privacy in this matter. The problem is that the computer respects no national boundaries, and if data accumulated in a country with stringent rules can easily be transferred to a country with lax rules, the authorities can get around the problem of enquiring closely into the citizen's affairs.

Now of course the ideal solution would be for all the nine Member States to reach spontaneously the same conclusion about what rights ought to be given the individual citizen. Alas, I doubt if that will ever happen. The example of my own country, the United Kingdom, illustrates the point I am trying to make. We have had several committee reports on this issue now, and we still find ourselves unable to legislate on the matter; yet lawyers have been considering this critical question of the right of privacy for over 100 years. I think, therefore, that there has to be an international solution, and it seems to me that a solution within the Community is a very feasible one and a very desirable one. Of course it would be a good idea if all European countries were to sign the draft convention of the Council of Europe: common rules would then cover a larger area, and the danger of one particular country's escaping under the net would be diminished. But I wonder how many countries will become signatories to that convention, and I think it would be unwise of the Commission simply to say: the Council of Europe is seeing to it, therefore we ought to do no more. I think that they ought to carry on with their work as expeditiously as possible.

(Applause)

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

Mr D'Angelosante. — *(I)* I should like to make some very brief comments to the Assembly on this extremely important and delicate subject. It seems to me that the essential feature of this debate has been a certain ambiguity. Things have been left half-said. Indeed, the text of the question is not entirely clear. The problems to be solved are many. First of all, what

D'Angelosante

aspect of the problem can be solved by rules and regulations? It is my view, for example, that the text of the convention under consideration in the Council of Europe is somewhat limited. Does Parliament think that we should go further? Mr Sieglerschmidt alluded to texts approved in the past, but I do not feel that we are much further ahead today, seeing that the Commission now says that it is waiting for the conclusion of the Council of Europe convention.

As I have said, these are difficult problems. By whom and by what means should the data be transferred abroad? How can it be proved that data has been thus transferred? How can we establish, in practice, the illegitimate use of data which has been legitimately acquired? I feel that, in the Council of Europe, the debate has been largely based on the concept of legality or illegality. Once data has been acquired, how can we prove that it has been used illegally? Let me give you an example: if in one Member State a computer, or a series of computers, centralizes all tax or public information, and if this computer is managed by a multinational company, how can we find out whether this multinational company is or is not transferring such data abroad and whether or not it has used such data?

These are serious issues on which we must not merely express general principles. For if we look at the practical aspects, the practical legal aspects — in other words the problem of penalizing illegal acts — what proposals have been put forward? The Council of Europe proposes as a penalty the obligation to rectify matters by whoever has been naïve enough to issue data which he has legitimately acquired but of which he is in unlawful possession. As regards compensation for damages, the amount proposed here is much less than in libel proceedings, while laws exist in all our countries prohibiting and penalizing the violation of secrets, even where they are less important than those which we are considering today. Before we adopt a position, we should like a detailed study to be made of all the problems involved.

Finally, we have certain reservations as regards the jurisdiction of the Community. We want the Community, and this Parliament, to fulfil with courage its due responsibilities. However, we should also like to know the manner in which this parliament and the Community intend to fulfil their responsibilities, because if the chosen method were to bind the Member States in such a sensitive area as data protection by ridiculous and ludicrous sanctions, that would be a false step which we could not approve.

In conclusion, Mr President, pending the submission of a specific text, we consider that, rather than emphasizing the need for action in this area, we should get to grips with and examine in detail all the difficulties involved.

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

Mr Vanderpoorten. — (NL) Mr President, colleagues, the matter we are discussing here, arising out of Mr van Aerssen's question must, I think lead to definite conclusions. I believe because of Parliament's great moral authority — to which reference has repeatedly been made here — we are bound to draw a conclusion.

From all the various speeches one criticism has emerged loud and clear — albeit expressed in amiable terms — namely the criticism of the Commission for not having taken more concrete action.

As a newcomer to Parliament I read with great interest the report tabled on 4 May 1979 by Mr Bayerl on the protection of the rights of the individual and on certain aspects of privacy. Annexed to the report is a letter sent by Mr Davignon to the President of the European Parliament on 16 January 1979. In this letter it is expressly stated:

'At its meeting of 9 January 1978 the expert working party unanimously recommended that the Commission should await the final drafting of the Council of Europe's Convention before taking a decision on the desirability of preparing a Community directive. The Council of Europe's final draft is expected to be ready in June 1979.'

As far as I know that final draft has not yet been completed. When a bill on the protection of individual rights and of certain aspects of privacy was put before Parliament in my country in 1976, we included in the explanatory memorandum a summary of the measures which had already been taken in this area at international level. I note that the Council of Europe has been trying since January 1968 to give these concerns concrete form. Other international organizations such as the United Nations, OECD, BENELUX and also this Parliament have devoted a great deal of attention to the matter.

In my opinion, the first thing to be done is to draft a directive with a view to harmonizing legislation on data banks in the various Member States. Such uniform legislation, if it can be introduced, will help to remove the distortions which already exist or which might arise between the different national legislations. A number of countries have already introduced legislation in this area, but objectives and methods differ from one country to another. Other countries are in the process of drafting legislation.

In view of the relentless growth of technology and the increasing danger that the private life of the individual might be affected by it, it is imperative that the Commission should prepare a directive with all due speed. As I see it, there are three issues which must be settled: Firstly, what data may be stored on computer? This must be subject to supervision, and

Vanderpoorten

prior approval must be obtained before specific data may be stored. Secondly, how is the data to be stored? And thirdly, under what circumstances may data be retrieved and used?

Public opinion in our countries is becoming increasingly sensitive to these issues. Whereas a few years ago the use of data banks was restricted to highly placed authorities, nowadays regional and local bodies and many private agencies use them.

It is worrying that these data banks are proliferating without being governed by any legal regulation at Community level, or even at national level in the case of some countries. Where such legislation does exist, there are often distortions and considerable differences. The longer this inconsistent situation continues, the more difficult and complex it will be to regulate these matters and bring them under control. Respect for the fundamental rights of the individual will depend on the way in which the use of data banks is controlled and regulated.

Our European Parliament must take early action in the interest of the correct application of technological resources — whose value no one would wish to contest — but above all to protect the interests of the individual which are in danger of being neglected in the sometimes difficult, chaotic and complex age in which we live.

President. — I call Mrs Chouraqui to speak on behalf of the Group of European Progressive Democrats.

Mrs Chouraqui. — (*F*) Mr President, ladies and gentlemen, I will not speak for long on this question because it has already been discussed at sufficient length. I would just like to comment on the fact that, unfortunately, not many of our colleagues are present in this room to discuss this very important question, whereas a large number will certainly be present to discuss the question of arms sales.

Today it cannot be denied that data processing and data communication are essential to the administration and development of our societies. The use of these techniques certainly constitutes a step forward in the development of the world today. Data protection means neither setting up obstacles to economic activity nor preventing all investigations. In our opinion, the time has come to distinguish between what is technically possible and what is legally permissible. It is necessary to oppose the mistaken or improper use of technical innovations when they constitute a threat to the integrity of the individual. As Mr Bayerl said before the Assembly last May, data protection legislation is intended to make the citizen once again master of his own affairs. I myself would add, the citizen should never cease to be master of his own affairs.

This is why it is, in our opinion, essential that the citizen enjoy four basic rights: the right to be informed of the storing of his personal data, the right to have them corrected, the right to have them withheld and the right to have them erased. The citizen does have these rights, but in fact is not yet aware of it.

It is necessary to control data processing without hindering its development, and I may say without risk of contradiction by the Assembly that we have been successful here. I assume that everyone knows of the ARIANE programme. The Member States are aware of this problem. Some of them have already enacted their own data protection laws: France, the Federal Republic of Germany, Denmark and Luxembourg. Studies are being carried out in the United Kingdom, the Netherlands, Ireland and Italy.

The OECD, the Council of Europe and the Commission of the European Communities are also considering this question. I would therefore like to remind the Commissioner that it is a matter of urgency to adopt European regulations in accordance with the laws already enacted in certain Member States, thus preventing the emergence of conflicting legal provisions in other Member States.

I would also like to ask him three questions: has the Commission, in drawing up its draft directive, taken into account Parliament's proposals? In particular, does the Commission agree that the independent control body be composed of representatives of national data protection organizations and an equal number of Members of the European Parliament, and that this body be chaired by a Member of the European Parliament? Does the Commission intend to set up a management committee to ensure the correct implementation of the directive? Finally, does the Commission intend to regulate data flows between Member States, or between the Community and third countries only, the latter alternative being unthinkable for the purpose of protecting the rights of the individual.

Finally, I would like to point out to the Commission that the protection of the individual can only be truly effective if we are able to preserve our national and European sovereignty.

In considering data communication, the question of independence re-emerges. Yesterday the strategy of Europe and Japan was aimed at reducing American dominance in this field by mastering the techniques of computer construction. Today the challenge is a different one. IBM is extending its activities beyond data processing as such, and to ensure its success on the market it is doing all it can in the field of research, investment, marketing and the development of telecommunications.

As the French NORA report quite rightly points out, the successful development of data communication

Chouraqui

networks is now the essential objective, failing which we run the risk of two-fold isolation, not only with regard to those who control the networks, a fact which should not be forgotten, ladies and gentlemen, but also with regard to the American data banks, to which access is facilitated by these networks. In order to avoid our countries being in a dependent situation, it is necessary not only to carry out a policy directed towards industrial production in all areas of data processing but also to 'objectivize' access protocols and to get them accepted by everyone, including IBM. It is necessary to extend the use of satellites. The ARIANE project is a first step in this direction. Finally, it is very important that a European data bank be set up so that recourse to the American data bank will no longer be necessary.

May this new Assembly find a solution to these problems! It is urgent that this be done, in order to attain a greater respect of the individual and, as is befitting, to uphold the reputation of this new Assembly. We know now that the societies of the future, known as 'computerized societies', will be fragile and vulnerable if they arouse feelings of insecurity. Data processing and data communication may, depending upon the resolution of the men and women of this Assembly, lead to freedom or oppression. Let our Assembly display its resolution to contribute to the greater freedom of the nations which make up the Community of Europe!

President. — I call Mr Normanton.

Mr Normanton. — Mr President, I think we should bear in mind that data processing, is indeed a multifaceted scientific area. It is not just a question of the collection, collation, processing and distribution of information and statistics, it is also a scientific area which is increasingly playing a crucial role in all walks of our life in controlling other operations. Air traffic control, for example, is but one facet of the data-processing field. Credit control in banking, insurance, the design of machine tools and machine systems, the control of the machines themselves, all these are areas which make up the whole field of data processing.

I cannot help but express the view that in the course of this short debate this aspect of protection has been overlooked. Yes, protect the individual citizen from exploitation; that point has been very forcibly and repeatedly made in this Parliament. But data processing itself must be able to enjoy protection from unlawful interruption and even destruction of the data-processing systems. The Community therefore, I suggest, would be well advised to look seriously and urgently at this aspect of vulnerability, and not only at the way data processing impinges on human rights.

Quite recently in fact a few days ago the newly appointed Supreme Commander of NATO warned

Europe in a very important speech of the vulnerability of our communications systems; and data processing is part of and dependent upon those communications systems. It is vulnerable in peace, and vulnerable in war. I therefore put the point to the Commission that when they come to prepare a draft directive on this subject, they should not view it restrictively and narrowly, but look at the whole field of protection in data processing.

President. — I call Mr Sherlock.

Mr Sherlock. — Mr President, I think the way this question is worded, would take first prize for vagueness and looseness of style. I liked the remark which came from opposite me to the effect that one of my colleagues in this House would be infinitely more concerned to debate a more tangible text. But since much of the chat tonight — I could hardly grace it with the term debate — has turned on the matter of personal privacy, I think I would like to comment that this matter of personal privacy, which is taking us beyond the hour originally envisaged on the agenda, has not even been graced with the presence of Signor Pannella, who seems to view everything that is human with so much concern and with his hand on his heart.

In effect you are talking about something which does not exist — the right of human privacy. Most of you live in villages, in parishes: how much privacy have you got? What your neighbours do not know about you they make up and the computer industry is very much the same. You have a whole store of information. The unfortunate thing about it is that the memory is uncomfortably long, and it is likely to be highly accurate.

would suggest that two particular things are necessary for such protection as any honest individual requires, and my words, Mr President, were 'honest individual', who should never be afraid of having the truth recorded about him anywhere. The two things are: access to certain parts of that information; and the fact that it is true. I would like to come back to access in a few seconds, but the fact that it is true should be verifiable with ease by the person about whom the facts are recorded. In other words he should have the right to inspect his record from time to time. This, in the British services, at least, was always allowed to everybody from the merest private soldier upwards. He should, if there is a wilful refusal to correct the record, have the undeniable right to sue — and sue heavily — and recover damages for inaccuracies that might be reported. The only other reassurance that is needed — and here I speak in my particular professional capacity as a physician — is to say that medical matters, in particular, give a first class example of how access should be restricted, coded and keyed. This sort of mechanical and quasi-mechanical restriction is far from being beyond the wit of inventors in electronics technology.

Sherlock

With these assurances we can, I am sure, as Tom Normanton has said, embrace the fact that the data-processing industry, for the greater part, will work for the greater good of mankind, a view which I endorse most wholeheartedly.

President. — The debate is closed.

20. Urgent debate

President. — I have received from Mr de la Malène, on behalf of the Group of European Progressive Democrats, a motion for a resolution with request for urgent debate pursuant to Rule 14 of the Rules of Procedure, on aid for the Caribbean Islands devastated by hurricane David (Doc. 1-239/79). The justification for the request for urgent debate is set out in the document.

I shall consult Parliament on this request at the beginning of tomorrow's sitting.

21. Transit traffic in the Alpine region

President. — The next item is the Oral Question with debate (Doc. 1-296/79) by Mr Seefeld, Mr Albers, Mr Gabert, Mr Gatto, Mr Key, Mr Klinkenborg and Mr Loo, to the Commission :

Subject : European solutions to the problems of transit traffic in the Alpine region

In the resolution it adopted on 16 January 1979 on the basis of a report by its Committee on Regional Policy, Regional Planning and Transport, the European Parliament urged that priority be given to the following transport policy objectives which are of immediate importance :

— improvement of the situation of transit traffic through Austria and Switzerland, in particular by allocating road costs fairly, improving infrastructures and encouraging combined transport methods.'

On 12 June 1978 the Council of EEC Transport Ministers adopted a statement on the Austrian road traffic tax in which it noted :

'that the Commission will follow up, from the point of view of transit and in accordance with Community legislation and policy trends, in the field of infrastructure and market organization, the basic problems which arise in relation to other third countries too, will contribute to developing satisfactory solutions at the European level and will report back to the Council on possible action to be taken by the Community'.

1. What specific steps has the Commission taken so far in order to comply with the European Parliament's request and propose how the Community might contribute to the development of European solutions to the problem of ensuring smooth transit for road and rail traffic through the Alpine region ?

2. Is it aware the Greek accession to the Community will exacerbate the problems of traffic infrastructure in the Alpine region (bottlenecks, an increase in the accident rate and damage to the environment), and that similar

problems of transit traffic through Yugoslavia will also have to be considered ?

3. What form of cooperation in the traffic sector does the Commission envisage with Austria, Switzerland and Yugoslavia to ensure the smoothest possible traffic flow between the various Member States of the Community and hence to promote trade ?

4. Does it recognise that first and foremost, such cooperation must include the planning, extension and funding of the traffic infrastructure and also cover questions of taxation, transit authorizations, the encouragement of combined transport and of commercial and technical cooperation between railway undertakings and, finally, a relaxation of frontier formalities ?

5. When does the Commission intend to submit the report referred to in the abovementioned Council statement ? Can it indicate the broad outlines of the proposed measures ?

Mr Seefeld has agreed to cut short his speaking time. I would ask all speakers to do likewise.

I call Mr Seefeld.

Mr Seefeld. — (D) Mr President, in order to be brief for the sake of my colleagues I will limit myself to one or two comments. You have the text of the question before you. Unfortunately, I must begin by saying that there is still no uniform transport policy in the European Communities and it is for this reason, among others, that we must ask a number of questions to the Commission as to why no solution has been found to the problems of transit traffic in the Alpine region.

Mr President, ladies and gentlemen, it is quite clear that the European Communities cannot pretend to be unaffected by the problems facing Austria and Switzerland, despite the fact that they are third countries. In order to reach Italy, a Community country, by road or rail it is necessary to go through Switzerland or Austria. It was for this reason that last year we passed a resolution in this House, concerning the improvement of the situation of transit traffic through Austria and Switzerland, and we also declared that this should be achieved by allocating road costs fairly, improving infrastructures and encouraging combined transport methods. Last year the Council of EEC Transport Ministers considered this question, and in June 1978 decided that the Commission should follow up, in the field of infrastructure and market organization, the basic problems which arise in relation to other third countries. The Commission has been given the task of contributing to the development of a satisfactory solution at the European level, so that the problems of these countries can be included in an overall European transport scheme. The Commission is then to submit proposals on possible initiatives to the Council.

Last year Austria attracted considerable attention with its tax programme. In the European Communities the question arose as to which measures we could take to prevent any hindrance to traffic between the Community countries concerned. Mr President, ladies and

Seefeld

gentlemen, we must also consider the future, because from 1981 onwards Greece will be a member of the Communities, and traffic between Greece and the nine present members in both directions must pass not only through Austria but also through Yugoslavia. Therefore, in our opinion, close cooperation is necessary between the Communities and these countries of transit. We also feel that we have the obligation to help the transit countries to cope with the traffic flows resulting from their geographical situation.

For this reason, some of my colleagues in the Committee on Transport and I have asked the Commission today to answer our five questions. In essence, Mr President, our main concern is to ensure awareness of the problems of transit traffic and to ascertain the extent to which third countries are able to cope with them, because transit through Austria, Switzerland and in future Yugoslavia is important for intra-Community traffic. This briefly explains why we have put forward this question and I hope, Mr President, that you find my reasons satisfactory.

President. — I call Mr Burke.

Mr Burke, Member of the Commission. — Mr President, the question put to the Commission raises all the difficulties encountered by transit traffic across certain third countries, difficulties which will become more acute as a result of Greek membership. The question stresses in particular the difficulties encountered in the Alpine regions, on North-South and North-West, South-East axes. The improvement of transit traffic across Austria, Yugoslavia and Switzerland is one of the Commission's major pre-occupations in the area of transport policy. It involves the development of a multi-lateral solution going beyond the Community framework and taking account of the interests both of the transit countries and of the countries which require the transit.

The guidelines of our common transport policy as defined by the Commission in its memorandum to the Council of October 1973, and by the report presented recently by Mr Seefeld on behalf of the Committee on Transport, postulate the setting up of a coherent and open transport system taking account of Community transit traffic across third countries. At the present time attention is concentrated on Austria and on road transport aspects because of the particularly acute situation caused in that country by the introduction of a tax on road transport of goods.

Now, with regard to the five questions asked, I would briefly reply as follows: First, the Commission is actively participating in the search for a solution in the international organizations concerned, notably the European Conference of Transport Ministers and the Economic Commission for Europe in Geneva. Furthermore, it has taken a series of initiatives in the frame-

work of the common transport policy which would help to reduce the current difficulties. In addition the Commission has launched a study on bottlenecks in the transport sector, a study which is not limited to the Community territory. The Commission notes with regret that, in spite of its initiatives, very few concrete measures have been adopted. In particular, important proposals such as that relating to the financing of transport infrastructure of Community interest, or to the harmonization of the structure of taxes on commercial vehicles, have not yet been adopted by the Council.

Secondly, the accession of Greece to the Community poses the transit problem directly. During the course of the negotiations it was agreed that, on the signature of the instrument of accession, the Commission would undertake exploratory conversations with Yugoslavia and Austria concerning the system applicable to international road transport of goods in order to seek the means, if necessary by the conclusion of agreements, which would permit the application to traffic originating in or destined for Greece of the measures applicable to traffic between the Member States. The Commission's services have already had discussions with an Austrian delegation, and similar contacts with the Yugoslavian delegation will soon take place. These discussions may be followed by negotiations. In its studies programme for 1980 the Commission has provided for a substantial appropriation in order to undertake a study which would permit the identification on the basis of an improved knowledge of the traffic, of the infrastructure needs of the new Member States. The Commission counts on the support of Parliament for the entry of this appropriation, in the budget in order to permit the proposed study programme to be carried out.

Thirdly, in the area of cooperation with the three main transit third countries, I should point out that the cooperation agreement between the Community and Yugoslavia, which we hope will be concluded in the relatively near future, includes a transport section with clauses relating to transit, particularly to the development of transport infrastructures. In 1975 the Commission submitted a proposal to the Council on the opening of negotiations for an agreement between the Community and third countries concerning the rules applicable in the area of access to the market for certain combined rail/road international goods transport. This proposal is still before the Council.

In addition, the Commission is now preparing an overall plan for promoting a substantial development of combined transport by actions covering the fields of infrastructure, equipment and commercial operation. The Commission envisages submitting proposals in this connection to the Council before the end of this year, and once a consensus emerges at Community level, it will propose the conclusion of an agreement with third countries, particularly Switzerland and

Burke

Austria, in order to ensure effective collaboration with these countries.

Finally on this point, it may be possible, on the basis of general exchanges of view with third countries on transport matters, to develop cooperation in such a way as to help solve the problems facing us.

Fourthly, the Commission shares the conviction of the authors of the question that this cooperation must extend to the areas cited in point 4 of the question. This is the aim of the studies on which it is engaged and the initiatives which it proposes to take.

And I would like to stress the following matter. Where infrastructure financing—which is central to any effective policy—is concerned the Commission has put forward an appropriate system in its proposal for a regulation on financial aid for projects of Community interest. The geographical field of application of this regulation is limited to Community territory. Greek accession and the need to ensure ease of movement of a growing transit traffic of Community interest across the Alpine countries are considerations which would plead in favour of an extension of the field of application of this directive to certain projects of Community interest outside the Community borders. Fiscal harmonization also constitutes a positive factor in the improvement of transit. This is why the Commission attaches considerable importance to the adoption by the Council of the first directive on the harmonization of taxes on commercial vehicles, which represents a first step towards a common system of infrastructure charging—a system in which many neighbouring third countries have expressed an interest.

Fifthly, in spite of the difficulties arising from staff shortage, to which Mr. Seefeld drew the Parliament's attention in his recent report, the Commission wishes to complete the report mentioned in the Council declaration of 12 June 1978, early next year, taking account of the number and complexity of the elements which it must contain. We rely heavily on the European Parliament to bring to fruition the initiatives which we have taken, and have yet to take, with a view to resolving the problems created for Community transport by transit across third countries. Thank you, Mr President.

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

Mr Gabert. — *(D)* Mr. President, ladies and gentlemen, I have just returned from a weekend meeting of politicians and representatives of various organizations, from all countries of the Alpine region, concerned with this question, and I would like to point out to the Commissioner that this question, as it has been formulated here, was the subject of a great deal of attention. I would, however, like to emphasize three points. I think that we must be aware of the central importance of the Alpine region for Europe. We should consider, not only the need for transport routes,

but also the climatic significance of this region as a reservoir for Europe. It is also important to consider the significance of this region from the environmental point of view. Therefore, while recognizing the need to include cross-border routes and roads in the plans for the extension of communications, I would like to urge that ecological and economic considerations be given equal attention in the planning of roads through the Alps.

Therefore, ladies and gentlemen, in my opinion, the Commission should make a special effort to ensure a medium- and long-term transfer from road to rail in the Alpine region, especially for the carriage of heavy goods, which at present is causing considerable difficulties. I realize that for this purpose it is necessary to modernize and equip the railway system; in particular the railway tracks in the Alps and the Alpine foothills. For this purpose measures are urgently needed for the development of infrastructures. There is an additional point I would like to emphasize.

During the discussions in the Tyrol, where we were practically snowbound, it was reiterated that 7 million Austrians alone could not pay the costs for all Europeans who crossed the Alpine region. You yourself have said that Switzerland has adopted other measures.

Finally, Commissioner, I would like to underline what you yourself said: we must be aware that problems will arise in trying to find a solution to this important question concerning not only Europe, but also the third countries, Switzerland and Yugoslavia, and that Greek accession to the Community will exacerbate these problems. I only have to consider the border crossing points where, during the summertime families on holiday sometimes have to wait for five or six hours, or the quantity of goods held up because the necessary facilities are not available. This is quite apart from other problems, which I do not intend to mention. I fully agree with you, Commissioner, that this must all be taken into account. Discussions and negotiations must finally lead to action. As far as I know, the Commission has already taken many preparatory measures. It is now time for action. Here in Parliament, I would like to state that our task is to ensure that, in the budget which is being discussed, the necessary funds are included, at least the funds which the Commission had included in the draft budget and which were deleted by the Council. In my opinion, this is a point of central political importance for us all. It is a task of truly European dimensions! As a Parliament we must ensure that action is forthcoming if we wish to retain the trust of those Alpine countries which are of such significance for our Community citizens, not only economically, from the point of view of transit traffic, but also from the point of view of leisure and recreation. The representatives of these countries said to us, 'For ten years we have been negotiating, but again we note that no results are forthcoming from these negotiations'.

Gabert

I realize that I do not need to appeal to you, Commissioner, but I do appeal to this House that we act together in order to attain decisive results for Europe in the Alpine region, within the framework of a slowly developing European transport policy.

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

Mr Fuchs. — (*D*) Mr President, ladies and gentlemen, the Group of the European People's Party attaches particular importance to smooth unimpeded and efficient communications between north and south because considerable difficulties are arising in this field. The Community covers a vast expanse from north to south. The Alps form a natural barrier to traffic between two large Member States — the Federal Republic of Germany and Italy. In addition, as has already been pointed out, the two are not contiguous but are separated by two non-Member States — Austria and Switzerland — and we know that, after the accession of Greece to the Community, additional problems will certainly arise.

For this reason, we think that solutions must be found together with Austria and Switzerland, as was said in the motion for a resolution of 16 January 1979. I know from experience the problems which arise when unilateral measures are adopted. When the Federal Republic of Austria wanted to introduce levies on the carriage of goods by road 1. July 1978 great difficulties arose. The situation became psychologically much worse, which constituted a step backwards rather than a step forwards in finding a solution to this difficult question. In my opinion this is something we cannot afford. I am very glad, Mr Burke, that you are entirely of the same opinion, that you have already made proposals in the Commission, and that you will continue to do so.

I would like to express my thanks to you for this, but I must confess also that I greatly regret the attitude of the Council. Unfortunately the Council's approach to transport policy is to allow problems to accumulate and to constantly defer solving them, instead of arriving at concrete decisions. On behalf of the Group of the European People's Party, I would like to urge the Council to radically change its policy on this question, and to take real action. It will be necessary that the system work as freely as possible, that the conditions of competition are equal, that there is maximum freedom of movement, that efforts are made to ensure uniform taxation and that energy savings are obtained.

However, I do not think that we can concentrate on rail transport alone. We must not lose sight of the constant need to improve road infrastructures. We should avoid transport becoming dearer in the Alpine region than elsewhere as a result of the particular difficulties facing this region, because there is no doubt that we would all have to bear the cost of this.

I would like to mention another problem which seems to me to be important in the context. I believe that, rather than limiting ourselves to a consideration of roads and railways, we should also consider the ports of Upper Italy, the points at which this transport system begins and ends. They must be made as efficient as possible in order to ensure a smooth traffic flow.

There is one point on which I would like to express my personal opinion. In my view, the areas around Munich and Venice should be considered for the purpose of good communications. I think that our colleague, Mr Colleselli, will speak about this. Finally, I would like to express the hope that the results desired by Parliament are forthcoming, along the lines which have been clearly laid down by the Commission. In this area we can also show whether or not we, as a Community, are capable of action. Even if this problem is only a partial one, it is a matter of importance to us that it be solved.

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

Mr Carossino. — (*I*) Mr President, ladies and gentlemen, the question by Mr Seefeld and other colleagues concerning the age-old problem of transit traffic in the Alpine region raises once again in this Parliament an issue which I have no hesitation in describing as of overriding importance for a Community transport policy. The improvement of transit communications, both by rail and by road, with Austria and Switzerland is one of those problems which must be solved if we are to succeed in removing the obstacles to traffic at the Community's internal frontiers which create serious inconvenience and difficulties and impose additional costs on transport operators. As it is well known that the distortion of transport costs have a similar effect an international trade as was previously the case with customs duties, it follows that the lack of a Community transport policy, which is solemnly provided for in the Treaty of Rome, eventually jeopardizes the maintenance and further development of the Community itself.

In my view, it has hitherto been true that such a Community policy has not been implemented. Community regulations and directives have concerned secondary aspects of transport policy without tackling the underlying problems such as transit traffic in the Alps. With a view to Greece's entry into the Community and in anticipation of closer collaboration with the countries of Africa and the Middle East, what should be the Community's contribution to the individual frontier States and regions to help them to solve these problems?

We feel that a Community policy in the transport sector should be principally founded on the priority

Carossino

objective of the gradual elimination of existing imbalances between the various Community regions and, in particular, between regions in northern and southern Europe. This implies that action in the Alpine frontier regions, to be implemented, as was mentioned previously, in cooperation with other states concerned such as Austria, Switzerland and Yugoslavia, should not be viewed in isolation, but coordinated with programmes for the reorganization and expansion of the port systems in the North Tyrrhenian Sea and the North Adriatic. These represent a natural link between the Europe of the Community and the south, the islands and all the countries in the Mediterranean. In addition, in drawing up programmes for the expansion and financing of transit infrastructures, account must be taken of the objective mentioned a short while ago — namely, improvement of rail transport and appropriate intermodal systems to ensure a more balanced relationship between rail and road transport. I would emphasize that this is absolutely necessary if we are to attain the objectives of the financial recovery of the European rail network, containment of energy consumption and reduction of pollution.

Furthermore, I would add that the essential financial resources necessary for the implementation of possible new projects concerning transit infrastructures will require a detailed assessment of the productivity of such projects, on the basis of their cost, benefits and compatibility with the general and specific objectives which must be adopted by Italy. Among these principal objectives, development must be given absolute priority.

My final comment concerns another aspect of Community transport policy. By this I mean measures concerning commercial and technical cooperation, tax harmonization, and the simplification of transit formalities at frontiers. We consider that if we are to remove these obstacles and make tangible steps towards the introduction of a common transport policy, two key factors must be taken into account: the first concerns the essentially public nature of the transport sector, and the second the need to achieve harmonization of the conditions of competition between the European countries, by means of Community legislation which places transport in the various countries on an equal footing. Without such harmonization, it will be difficult to make substantial and significant progress in the desired direction. We suggest that the Community should bear this in mind when taking action in this sector.

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

Mr Baudis. — (*F*) Ladies and gentlemen, one proof of the existence of Europe is that an elected Member from a department in the Pyrenees has just spoken out here in favour of aid for traffic through the Alps. I

am taking note of this because Europe will not stop at the Pyrenees, and in this area also a problem will arise. As Mr Seefeld, chairman of the Committee on Transport, so rightly pointed out, any definition of a transport policy undeniably involves weighty decisions of great importance for the future. In this field, decisions should not be made on a purely national level. On the contrary, it is necessary to adapt to the existing international situation. Long-term planning is necessary because transport policy must not be rigidly circumscribed by the technical possibilities of the present, but must be able to follow the very rapid development of future techniques. From a study of the previous minutes of the European Parliament it becomes clear that these problems have always figured among that Assembly's numerous discussions.

On re-examining a very specific problem contained in this oral question we must note that this has all been said several times already, and has been included more than once on the agenda of the European Parliament. This shows that our discussions and deliberations have unfortunately not had the desired effect on the decisions and activities of the Council of EEC Transport Ministers. The problem raised here concerns the improvement of transit infrastructures in the Alpine region. Links with third countries also fall within our regional policy as a whole. I would like to concentrate on this last aspect in taking the floor on behalf of the European Liberal and Democratic Group.

The Mayor of Trieste will not contradict me when I say that the example of the port of Trieste shows to what extent some of the outlying towns of Europe are at a disadvantage as a result of their geographical situation. Like the Mayor of Trieste, I as Mayor of Toulouse will confirm this.

In these regions it cannot be disputed that unemployment is very much on the increase. Therefore, aid and development should be brought to these regions.

The aid should be speedy and effective. In the case of Trieste, as several speakers have already said, considerable scepticism can be felt on noting that, in the period leading up to Greek accession to the Community, no measures have been taken or envisaged in order to adapt to the new situation. The European Parliament, however, has never hesitated to face up to these problems. We regret, however, that such delays have taken place in developing a European transport policy, and that the Council of Ministers has been unable to define a Community policy in this field. The Liberal and Democratic Group wishes this passivity — I would almost say indifference — to come to an end. It wants the initiatives taken in this Assembly to lead to results, and it does not want to feel that the discussions are serving no purpose, now that we are meeting here, elected by universal suffrage.

President. — I call Mr Colleselli.

Mr Colleselli. — (*I*) Mr President, ladies and gentlemen, on behalf of my group I should like to support the statement by Mr Fuchs, and add certain comments which I believe are very relevant.

The question by Mr Seefeld concerns 'European solutions to transit problems in the Alpine region'. It therefore seems clear to me that the main point at issue is transit traffic in these regions. I believe — and I believe I am voicing here the position of most of my group — that a common transport policy, which, moreover, is provided for in the Treaties, is the best means of resolving certain situations for which uniform solutions would not otherwise be found within the context of European communications. In my view, these are not merely commercial and economic, but also cultural and spiritual, and likely to speed up progress and the political unification of Europe.

I have read carefully the summary of the debates held in this Parliament last January and which reflect its concern, which we fully share. Following the criticism of short-comings in this area, not only by the European Parliament but also by the Commission and, above all, by the Council, I believe that the time has come — and I thank the Commissioner for his encouraging statements on this question — to call for a detailed strategy in the public transport sector taking us beyond 1980. I support the premises, the main points and the conclusions of the resolution tabled previously by Mr Seefeld. It has almost become our main reference-point: in the debate last January, somebody defined it as 'an X-ray' of the problem. As has already been mentioned, we are now introducing the theme of transit traffic in the Alpine region, and I wish today to urge the Commission and tomorrow, I hope, the Council promote more fruitful contact between the competent ministers of the Community countries. Admittedly, there is also the problem of Greece, and that of communications through Yugoslavia, but it is nonetheless true that the *internal* aspects are the most important.

As regards the southern side of the Alps, I feel that it can be divided into three sectors. The first is the north-west side, where existing communications are good but could be made better still; secondly, there is the central sector which concerns the Milan-Genoa axis and for which there are plans, if nothing more, for a line of communication going across the Alps from Milan into the heart of Germany. Finally, we come to the north-east side, where communications are most lacking. Even with the existence of the Brenner motorway, and the recent provisions in a

special law adopted by the Italian Parliament and Government concerning the direct motorway from Trieste through Udine towards Austria, there is also a middle route — opposed for various reasons — which almost represents the historical route between Central Europe, by which I am particularly thinking of Munich, and the Adriatic ports, in other words the city of Venice and other towns, including the port of Trieste.

I believe that no discussion of transit traffic in the Alpine region can ignore the vital problem not of the survival but of the existence and progress of our ports, from Genoa across to Venice.

I thus repeat our confident belief that, through a programme submitted by the Commission in the form of a proposal, which is then carefully examined by the Council, we may reach coherent and reasonable solutions enabling us to overcome the unavoidable disagreements which exist today. Who would disagree that, from an ecological point of view, problems exist concerning Alpine communications by road and rail? I hail from a region which many of you may know, the Dolomites, which I love and you may love just as much. This problem concerns us, but we are also concerned by the attendant political, technical and technological controversies. For this reason, we believe that the programme which has been called for so often may help us to overcome moments of disagreement and uncertainty.

President. — I call Mr Burke.

Mr Burke, Member of the Commission. — Mr President, I thank the Members of the House for the generally welcoming attitude they have taken towards the indications I have given of our policies in this area, and I would make three points.

First, we need the two pieces of legislation, I referred to in my speech. One is the regulation concerning financial support for projects of Community interest: that is on the table of the Council, and it may be legislated upon soon. We also need the first directive on the harmonization of taxes on commercial vehicles: we are on the point of success here, and I hope to undertake certain visits to capital cities which may help it towards completion.

Secondly, we need to ensure — and I ask the Parliament's full support here — that the money which we asked for under Item 3781 is restored. It has been the most tangible indication of joint, Commission and parliamentary support for the points which are being put forward here in Parliament. I shall look forward very much to the restoration of this item: I think it is for 50 million units of account.

Burke

Thirdly, let us all advert to the fact that a third country, Austria, has asked the Community for a financial contribution. That is now before us and, we have got to give an answer to it. I look forward, very soon indeed, to being able with the other institutions of the Community to make a proper reply to that.

These, briefly, are the three points which I put before the Parliament.

President. — The debate is closed.

22. Agenda for next sitting

President. — The next sitting will take place tomorrow, Tuesday 25 September at 10 a.m. and 3 p.m. to 8 pm. with the following agenda :

- Decision on urgency of seven motions for resolutions and a Commission proposal for a regulation
- Luster report on the amendment of Parliament's Rules of Procedure

- Oral question with debate to the Commission on compensatory amounts
- Oral question with debate to the Commission and oral question without debate to the Commission on butter exports to the Eastern countries
- Oral question with debate to the Commission on the Italo-Tunisian fisheries agreement
- Oral question with debate to the Commission on freedom of trade
- Oral question with debate to the Commission on armaments procurement

3. p.m. :

- Question Time (questions to the Commission)

3.45 p.m. :

- Voting time

The sitting is closed.

(The sitting was closed at 8.45 p.m.)

ANNEX

Commission action on opinions delivered by the European Parliament at the May part-session

1. As agreed with the Parliament's Bureau, the Commission informs Members at the beginning of every part-session of the action it has taken on the opinions delivered at the previous part-session. The memo also indicates what progress has been made on each item at the Council.
2. At its May 1979 part-session, the European Parliament adopted 32 opinions on Commission proposals to the Council in response to Council requests for consultation.
3. In the following 23 cases the Parliament's opinions on the Commission proposals were in favour.
 - Report by Mr Shaw on a regulation amending the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.
 - The Commission proposal is under consideration at the Council.
 - Report by Mr Flämig on a multi-annual JRC programme
 - This is under consideration at the Council
 - Report by Mr Hansen on a regulation amending Regulation (EEC) No 974/71 as regards the calculation of monetary compensatory amounts for wine
 - The regulation was adopted by the Council on 15 May 1979
 - Report by Mr Hughes on a directive amending Directive 64/432/EEC as regards bovine enzootic leukosis
 - This proposal for a directive is under consideration at the Council
 - Report by Mr Ligios on a regulation amending Regulation (EEC) No 2511/69 laying down special measures for improving the production and marketing of Community citrus fruit
 - This proposal for a regulation is under consideration at the Council.
 - Report by Mr Hansen on a regulation amending Regulation (EEC) No 154/75 as regards the financing of the register of olive cultivation.
 - This regulation was adopted by the Council on 24 July 1979.
 - Report by Mr Fruh on a regulation setting hops producer aids for the 1978 marketing year.
 - This regulation was adopted by the Council on 18 and 19 June 1979.
 - Report by Mr Notenboom on a regulation on the measures to be taken in the event of irregularities affecting the own resources referred to in the decision of 21 April 1979 and the organization of an information system for the Commission in this field.
 - This proposal for a regulation is under consideration at the Council.
 - Report by Mr Martinelli on a regulation extending Regulation (EEC) No 2862/77 on levies applicable to imports of certain adult bovine animals and beef from Yugoslavia
 - This regulation was adopted by the Council on 18 and 19 June 1979.
 - Report by Mr Shaw on the list of requests for the carry-over of appropriations from the 1978 to the 1979 financial year (non-automatic carry-overs)
 - Since the Council has taken no decision to the contrary, these carry-overs are deemed approved as of 25 June 1979.
 - Report by Mr Kaspereit on a tariff quota for fresh table grapes originating in Cyprus
 - This regulation was adopted by the Council on 1 June 1979.
 - Report by Mr Lamberts on edible caseins and caseinates
 - The Commission proposal is under consideration at the Council.
 - Report by Lord Bethell on protection against the dangers of ionising radiation
 - The Commission proposal is under consideration at the Council.

- Report by Mr Lamberts on health problems affecting trade in fresh poultrymeat
 - The Commission proposal is under consideration at the Council.
 - Report by Mr Pisoni on two proposals concerning social security arrangements for migrant workers in the EEC
 - These Commission proposals were adopted by the Council on 16 July 1979
 - Report by Mr Nielsen on a regulation on investment aids for the marketing and processing of milk products
 - This proposal for a regulation is under consideration at the Council.
 - Report by Mr Lemp on the regulations dividing up among the Member States the catch quotas for vessels fishing in the waters of the Faroe Islands, the exclusive economic zone of Norway and Swedish waters, and on the regulations on the conservation and management of fish stocks to apply to vessels registered in the Faroe Islands and vessels flying the Spanish flag during the period 1 January to 31 December 1979
 - These regulations were adopted by the Council on 12 June 1979.
 - Report by Mr Bregegère on a regulation laying down special measures for raw tobacco in respect of the varieties Perustitza and Erzegovina
 - This regulation was adopted by the Council on 24 July 1979.
 - Report by Mr Noé on thermal processing and the nutritive value of food.
 - This Commission proposal is under consideration at the Council.
 - Report by Mr Nyborg on a directive on the harmonization of systems of corporation tax and withholding tax on dividends
 - This Commission proposal is under consideration at the Council.
 - Report by Mr Flamig on cooperation with developing countries in the field of energy
 - This Commission proposal is under consideration at the Council.
 - Report by Mr Albers on the Commission communication to the Council on the improvement of relations with the social partners in the context of the Tripartite Conferences
 - This Commission proposal is under consideration at the Council.
 - Report by Mr Nyborg on development cooperation and compliance with certain international standards on working conditions
 - This Commission proposal is under consideration at the Council
4. In 9 cases the European Parliament proposed amendments to Commission proposals, 5 of which were accepted by the Commission.
- a) *Report by Lord Kennet on a directive concerning misleading advertizing*
The Commission has adopted a proposal amended in line with the parliamentary opinion and has sent it to the Council and Parliament. It is now under consideration at the Council.
- b) *Report by Mr Nyborg on a directive on the approximation of the laws, regulations and administrative provisions of the Member States concerning building materials*
The Commission has adopted a proposal amended in line with the parliamentary opinion and has sent it to the Council and the Parliament. The Council is about to consider the Commission's amended proposal.
- c) *report by Mr Nyborg on*
- (i) *a regulation amending Regulation (EEC) No 22/77 on Community transit*
The Commission adopted a proposal amended in line with the parliamentary opinion and sent it to the Council and the Parliament. It was adopted by the Council on 14 May 1979.
 - (ii) *a regulation defining the conditions under which a person may be permitted to make a customs declaration*
The Commission has adopted a proposal amended in line with the parliamentary opinion and has sent it to the Council and the Parliament. It is now under consideration at the Council.
- d) *Report by Mr Sandri on a regulation concerning the establishment of a European Cooperation Agency*
Owing to the complexity of the subject and the fact that a number of Directorates-General are involved, the amended proposal is still under preparation at the Commission.

(e) *Report by Mr Shaw on a directive concerning the approval of persons responsible for auditing company annual accounts*

The Commission adopted a proposal amended in line with the parliamentary opinion and sent it to the Council and the Parliament. The Council has not yet considered the Commission proposal.

5. In 4 cases the Commission explained at the sitting why it wished to keep its proposals as they stood.

— *Report by Mr Pisoni on a regulation amending Regulation (EEC) No 816/70 laying additional provisions for the common organization of the market in wine and Regulation (EEC) No 817/70 laying down special provisions relating to quality wines produced in specified regions*

— This draft regulation is under consideration at the Council

— *Report by Mr Brugger on a directive on the protection of animals during international transport*

This proposal will be considered by the Council shortly.

— *Report by Mr Brown on plastic materials intended to come into contact with foodstuffs*

This proposal is under consideration at the Council.

6. Furthermore, since the May 1979 part-session, the Commission has granted food-aid and emergency aid to certain developing countries, as follows :

(a) *Aid for South-East Asian refugees* (not including refugees in Vietnam) channelled through the United Nations High Commissioner for Refugees.

(i) food aid :

Aid approved by the Council in July 1979 :

Aid approved by the Council in July 1979 :

28 000 tonnes of rice (10 200 thousand EUA at world market price)

3 000 tonnes of powdered milk (1 700 thousand EUA at world market price)

(ii) Emergency aid (budget Article 950)

A first aid amounting to 5m EUA approved on 28 February 1979.

A second aid amounting to 10m EUA approved in July 1979, subject to the European Parliament's agreement, to re-fund-Article 950. The Committee on Budgets approved the request for the transfer for this second instalment.

(b) *Aid for Cambodia*

(i) Food aid (small-scale experiment carried out by the ICRC) : 20 tonnes of powdered milk for which the ICR is responsible for delivery costs.

(ii) Emergency aid (budget Article 950)

A 4m EUA appropriation for those turned back by Thailand and those who had stayed behind was agreed by the Committee on Budgets.

An initial action was decided on by the Commission on 19 September 1979 (245 000 EUA).

(c) *Aid for Vietnam*

(i) Direct aid : under the 1979 programme adopted on 8 May 1979 by the Council, Vietnam is to receive the following aid.

86 000 tonnes of cereals

15 000 tonnes of powdered milk

4 000 tonnes of butteroil

(25 500 thousand EUA at world market price)

(ii) Indirect aid (through the UNHCR and the ICRD) :

2 700 tonnes of rice (about 7 300 tonnes of cereals, or 1m EUA) for Cambodian refugees in Vietnam, through the UNHCR. This is to be taken from the 86 000 tonnes of cereals referred to above. These amounts are additional to those already approved under the 1979 programme for the UNHCR : 1 000 tonnes of milk and 500 tonnes of butteroil (1 200 thousand EUA).

5 000 tonnes of cereals, 800 tonnes of powdered milk and 500 tonnes of butteroil (2m EUA in all), through the ICRD, for Vietnamese communities that have suffered in the recent China/Vietnam conflict.

(d) *Aid for Nicaragua*

(i) Indirect emergency aid through the ICRC :

| | | |
|-----------------------------------|---|---------------|
| 500 tonnes of rice | } | (350 000 EUA) |
| 100 tonnes of porridge oats | | |
| 100 tonnes of skimmed milk powder | | |

(ii) Direct emergency aid :

| | | |
|---|---|-------------|
| 5 000 tonnes of unprocessed cereals | } | 292 000 EUA |
| 500 tonnes of vitamin-enriched skimmed milk powder | | |
| Purchase of red beans, vegetable fats and food for children | | |

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IN THE CHAIR : MRS VEIL

President

(The sitting opened at 10.10 a. m.)

President. — The sitting is open.

I call Mrs Kellett-Bowman on a point of order.

Mrs Kellett-Bowman. — I sought yesterday, and again a few moments ago, to obtain all the budget documents in English, as many very important matters are being raised. At the moment Volumes 4 and 7 appear to be available only in French. I wonder if you would use your good offices to see that these are available in all the Community languages so that we can study them.

President. — It has been impossible, because of a translators' strike at the Council, to get certain documents translated in time into all the languages. They are now being printed and will soon be distributed.

1. *Approval of the minutes*

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

Are there any comments?

The minutes of proceedings are approved.

2. *Decision on urgent procedure*

President. — The next item is the decision on the adoption of urgent procedure for a number of motions for resolutions.

We begin with the motion for a resolution on the new provisions of criminal law in the German Democratic Republic (Doc. 1-280/79).

The reasons for adopting urgent procedure are given in the document itself.

I call Mr Luster.

Mr Luster. — *(D)* Madam President, I have made no preparation for an explanatory statement on this motion for a resolution but even so I am very pleased to make one. It has always been one of the main tasks of this Parliament to speak out against breaches of human rights. The GDR Government has considered it right and proper to bring laws into force on 1 August of this year which — as the President of the United States of America himself has sated — trample these human rights underfoot. For example, persons responsible for disseminating news in other countries that brings the GDR into disrepute can be punished with a period of up to five years' imprisonment. It is also a punishable offence to collect such material or to

send manuscripts and the like abroad otherwise than by the official channels. A further paragraph states that anyone who circulates writings, objects or symbols in the GDR which harm socialist community life in the GDR can be given up to three years' imprisonment. All this is calculated to imperil social life in ways by legal means which infringe human rights. It is therefore our opinion that this Parliament — as it has already done in similar cases — should concern itself with this question, and we therefore propose an urgent debate thereon.

(Applause)

President. — I call Mr Chambeiron to speak against the request for urgent procedure.

Mr Chambeiron. — *(F)* Madam President, ladies and gentlemen, I am afraid that the newly elected Assembly is about to choose a path that seems to me perilous for its first steps.

There seems to be a persistent hankering among some members of this Assembly to have questions entered into the order of business which are clearly beyond our powers or not in Parliament's province. Already yesterday, via an oral question on Community arms supply programmes, a majority decided that a problem should be addressed which is not within this Assembly's competence.

What we are asked today stems from exactly the same approach. We are invited to state our position, hurriedly and with no more serious evidence than just the affirmations of one of our colleagues, on the urgency of a motion for a resolution regarding an Act that has recently changed certain penal measures in the Democratic German Republic.

Are we in the name of the defence of human rights, a subject on which our vigilance has never been and will never be relaxed, going to be asked at every part-session to stand in judgement on the penal measures in force in other countries? I feel that this would not be very responsible and that the desire to use this occasion for propaganda purposes largely prevails over any other concern.

That is why, ladies and gentlemen, I ask the Assembly to reject the request for urgent debate.

(Applause on some benches)

President. — I call Mr Pürsten to speak in support of the request for urgent procedure.

Mr Pürsten. — *(D)* Madam President, thank you. I would like to answer my colleague of the Communist party. We in this House would lose all credibility, gentlemen, if we operated a double standard. Human rights are indivisible. You cannot on the one hand take action against Chili and Argentina — which,

Pürsten

incidentally, we support and consider right — and on the other take no notice of violations of human rights in communist countries.

(Applause)

... We are not talking about an affirmation made in this House but about an Act in force that restricts human rights and journalists' freedoms in fundamental fashion. If that is the case, I feel that each and every one of us is called upon to act. Human rights and the basic freedoms concern us all and we must therefore react in the same way on either side. I therefore recommend we approve this request for urgent debate.

(Applause)

President. — I put the request for urgent procedure to the vote.

The adoption of urgent procedure is agreed.

I propose to the House that this motion for a resolution be placed on the agenda of Friday, 28 September.

Are there any objections?

That is agreed.

* * *

President. — We proceed to the motion for a resolution on emergency aid from the European Community to the people of Martinique, Guadeloupe and the Caribbean States, ravaged by hurricanes David and Frederick (Doc. 1-283/79).

I call Mr Vergès.

Mr Vergès. — (*F*) Madam President, ladies and gentlemen, immediately the disaster caused by the David cyclone in the Caribbean countries was announced, my colleague Mr Denis and I tabled a motion for a resolution on 7 September 1979 on behalf of the Communist and Allies Group with a request for urgent debate.

I do not propose to dwell at length on the figures which later amply justified our request. True enough, the Community has granted emergency assistance totalling 1m EUA to the islands of Martinique and Guadeloupe, which are counties in the Community, 300 000 EUA to the other countries in the Caribbean area. Compared with the suffering inflicted on these countries, however, this aid seems very inadequate.

It needs pointing out that the provisional total of FF. 830 million — which is certainly a serious underestimate — for the damage caused by the David cyclone is equivalent to one-fifth of the gross domestic product of Guadeloupe and Martinique and over half their annual agricultural and industrial production or,

in the case of Martinique, over 80 % of that figure. Unfortunately, these countries are basically agricultural even though the tertiary sector is artificially inflated. The crops that are damaged are annual crops — bananas, pineapple and sugar cane. This cropping potential has to be restored and in the meantime the poorest elements of the population helped to survive and the housing of the most numerous categories which have suffered the worst damage, though little has been said about them, rebuilt.

We therefore have to act quickly and in coordination with the aid given by the French Government, which is still insufficient, and in particular in cooperation with the local population and authorities.

Though the physical damage borders on the disastrous in Guadeloupe and Martinique you know that the catastrophe in the isle of Dominica, Haïti and the Dominican Republic — where the dead are counted in hundreds — is even graver.

Allow me, lastly, to remind you that although the cyclone period is coming to an end in the Caribbean area, it is due to begin in our zone of the Indian Ocean in a few months time in the area of islands like La Réunion, which is in the Community, and Maurice and Madagascar, associate countries, which have often been victims of tropical cyclones in the past. In our opinion, all these facts are ample justification for requesting that our motion for a resolution be treated as urgent. It would be a mark of the concrete fellowship felt by the European Parliament towards these countries and this is why we are gratified to know that the members of two other groups are supporting our request.

President. — I call Mr Estier to speak on behalf of the request.

Mr Estier. — (*F*) Madam President, I just wanted to say on behalf of the Socialist Group that we fully support the points made by Mr Vergès and that we, too, request that the motion for a resolution be dealt with by urgent debate.

President. — I put to the vote the request for urgent procedure.

The adoption of urgent procedure is agreed.

I propose to the House that this motion for a resolution be placed on the agenda for Friday, 28 September.

Are there any objections?

That is agreed.

I have received two further requests for urgent procedure on similar subjects, namely:

— motion for a resolution on Community aid for the Caribbean region devastated by Hurricane David (Doc. 1-308/79); and

President

— motion for a resolution on aid to the Caribbean islands devastated by Hurricane David (Doc. 1-329/79).

I call Mr Klepsch.

Mr Klepsch. — (*D*) I just wanted to make a suggestion to the Assembly to facilitate out work. We have in this case what, in content, are really identical requests for urgent debate. It is not up to the Assembly to anticipate the debate on the subject for which urgent debate is requested. We just have to decide whether we consider it to be urgent or not. I would therefore propose that we deal with the two other requests for urgent debate on the same subject together and agree that they be treated as urgent so that all three subjects can be discussed together. I would ask that we should perhaps always take this course — i.e. between ourselves — because otherwise we run a risk of holding the debates in advance and then finding them on the agenda again on the Friday.

(*Applause*)

President. — If there are no objections to Mr Klepsch's proposal, I suggest that these three motions be made the subject of a joint debate on Friday, 28 September.

I call Mr de la Malène.

Mr de la Malène. — (*F*) I would have preferred, Madam President, to have been asked to speak a moment ago on the motion for a resolution that I tabled in order to underline the importance attached by my group to the need for Europe to show its solidarity with these faraway parts of the Community.

The Caribbean islands — Martinique, Guadeloupe and Dominica — are part of our European Community. Sometimes they wonder if they are. It would be well, on this occasion when they have suffered an unprecedented disaster, for European fellow-feeling to be expressed for these faraway populations to reassure them that they, too, have a right to the benefits of being in the Community.

(*Applause*)

President. — I call Mr Sablé.

Mr Sablé. — (*F*) Ladies and gentlemen, I too tabled a motion for a resolution on the same subject. I am gratified to note that this Assembly is unanimous in requesting the urgent procedure and I shall naturally reserve my comments for Friday but I already associate myself with what has just been said by Mr de la Malène because the overseas territories are part of the Community under Article 227 of the Rome Treaty.

(*Applause*)

President. — Since there are no objections, these three motions for resolutions are accordingly placed on the agenda for Friday, 28 September.

We now come to the motion for a resolution on the situation in Cambodia (Doc. 1-320/79).

I call Mrs Bonino.

Mrs Bonino. — (*I*) Madam President, ladies and gentlemen, I asked to speak to support the request for urgent debate. The Assembly has just decided on urgent procedure for the disaster in the Caribbean. To my way of thinking, man is sometimes more cruel than nature and I feel that the disaster taking place in Cambodia requires urgent discussion and action, particularly after the appeal made yesterday by Mr Tanco, President of the World Food Council, who said that about 800 000 Cambodians would die if nothing were done in the next two to three weeks. I feel that, regardless of our individual political and ideological positions, the European Community — directly named in Mr Tanco's appeal — should state its policy on this point. I know that the Community has already given aid to Cambodia but I feel that the gravity of the situation calls for an effort from all of us because we cannot acquiesce in this new genocide that is a burden on the conscience of us all.

President. — I put to the vote the request for urgent procedure.

The adoption of urgent procedure is agreed.

I propose to the House that this motion for a resolution be placed on the agenda for Friday, 28 September.

Are there any objections?

That is agreed.

* * *

President. — We proceed to the motion for a resolution on the forest fires in the Mediterranean regions (Doc. 1-326/79/rev.).

I call Mr Ippolito.

Mr Ippolito. — (*I*) I am in favour of urgent debate on this motion for a resolution whose purpose is to draw the attention of Parliament and the Community not merely to the regions listed — Provence, Corsica and Liguria — but also to the other central and southern regions of the Italian peninsula and the large and small islands in the Tyrrhenian Sea where this phenomenon returns every year with ever-increasing seriousness, whereas the technical and financial resources available to the Member States or the Community as a whole seem to be absolutely inadequate.

President. — I put to the vote the request for urgent procedure.

The adoption of urgent procedure is agreed.

I propose to the House that this motion for a resolution be placed on the agenda for Friday, 28 September.

Are there any objections?

That is agreed.

* * *

President. — We now come to the motion for a resolution on the condemnation of repression in Argentina (Doc. 1-328/79/rev.).

I call Mr Sarre.

Mr Sarre. — (*F*) Madam President, I do not think it is necessary to make a long speech to get all Members of the European Parliament to agree that we should face international opinion with the repression that is again, and with even greater ferocity, unleashed in Argentina. This is why I just ask you to accept that this motion for a resolution be entered in our agenda for urgent debate.

President. — I call Mr Scott-Hopkins to speak on behalf of the European Democratic Group.

Mr Scott-Hopkins. — Madam President, I oppose this application for urgency, not on the grounds that I or my Group does not have great sympathy with oppression and denial of human rights wherever they may occur, but solely — if I may say so with respect to the House — on the grounds of urgency. This is something which is not of a tremendously urgent nature; it is not something which has just happened; it is not something which has got to be dealt with now. I agree that this House should debate these matters in due course, going through the proper committee. But this is not, I respectfully submit to the House, a case of urgency.

It is my view that it would be a great mistake for this House to try, under the camouflage of urgent procedure, to put down motions for propaganda debates. I think it would be a grave mistake if this House were to allow that type of debate to creep into its proceedings. We in my group are certainly aware of the problems which exist in the Argentine, and we believe that the right way of dealing with them is to use the proper procedures of Parliament and bring them to the attention of the appropriate committee, in this case the Political Affairs Committee. But it is not a matter, I submit, for which urgent procedure should be used. I therefore ask the House to reject urgent

procedure for the motion which has been moved so eloquently just now. I beg to oppose.

President. — I call Mr Bersani to speak on behalf of the European Peoples' Party (C-D Group).

Mr Bersani. — (*I*) Madam President, the European People's Party is in favour of the urgent procedure. It recalls that, apart from the extreme seriousness of the situation that has long prevailed in Argentina, there are a number of related events — the motion for a resolution quotes the very recent Act of 14 September designed to legalize the death of thousands of the regime's opponents — that suggest to us that an initiative at this time by Parliament would correspond to the basic requirements of fellowship with the democratic forces that are fighting in Argentina to restore, in some way or other, a really democratic situation.

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

Mr Scott-Hopkins. — On a point of order, Madam President: I thought your ruling was that we would hear the proposer of the motion, one speaker for, one against, and then vote. We have had the proposer, I am against, Mr Bersani is for: I beg of you that we now proceed with the vote.

(*Applause*)

President. — Mr Estier asked for the floor as spokesman for the Socialist Group.

Mr Estier. — (*F*) Yes, I asked for the floor as spokesman for the Socialist Group and I am surprised, Madam President, at Mr Scott-Hopkins' desperate eagerness ...

(*Protests by Mr Scott-Hopkins*)

Mr Estier. — ... I am surprised at Mr Scott-Hopkins' desperate eagerness to prevent this question of the missing people in Argentina being debated in this Parliament. I am surprised at his saying that it was not an urgent question and that we were simply trying to turn the debate into a propaganda or publicity vehicle.

It is extremely urgent that our Parliament should express its concern for the restoration of human rights in Argentina. It is urgent because the Commission of Enquiry of the Organization of American States has just confirmed the tragic situation existing in that country. To me it seems just as urgent that the European Parliament should express its viewpoint on this question.

President. — I put to the vote the request for urgent procedure.

The adoption of urgent procedure is agreed.

President

I propose to the House that this motion for a resolution be placed on the agenda for Friday, 28 September.

* * *

President. — Finally, I consult the House on the Council's request for the adoption of urgent procedure for the proposal from the Commission for a regulation amending the Staff Regulations of officials and conditions of employment of other servants of the Communities (Doc. 202/79).

I call Mr Klepsch.

Mr Klepsch. — (D) Madam President, I would like to speak against the request for urgency. The committees of Parliament — and only they would be in a position to investigate this subject — have not yet had an opportunity to consider it. We would be negligent in our duty if we were to take this question to the decision stage in a kind of trial run without any closer investigation. My Group feels that it is essential to have the subject studied by the responsible committees of Parliament so that we would then be ready to take a decision at the next part-session.

President. — I call Mr Robert Jackson.

Mr Robert Jackson. — Madam President, this is a request for urgent treatment from the Council, and I am sure that all of us in this House feel that we must be very concerned to oblige the Council. After all, we are, together, with the Council, the budgetary authority for the Community, and that is one of the most important aspects of our work. But it is essential, if Parliament is to carry out its part of its joint responsibilities with the Council, that we should be able to follow the procedures laid down for delivering an opinion. As rapporteur, I would therefore support Mr Klepsch in saying that we should leave the matter until an early report can be made in October. This is a matter that very much concerns the welfare of the staff of the institutions. Representations have been made, and we owe it to them to give very serious examination to the question, but I do promise the Council that I will endeavour to produce my report at the earliest possible time in October.

President. — I put to the vote the request for urgent procedure.

The request is rejected.

3. Amendment of Parliament's Rules of Procedure

President. — The next item is the report by Mr Luster, on behalf of the Committee on the Rules of

Procedure and Petitions, on the amendment of Parliament's Rules of Procedure (DOC. 1-282/79).

I call Mr Luster.

Mr Luster, rapporteur. — (D) Madam President, ladies and gentlemen, there must certainly be some Members present who remember that we already discussed this subject in the part-session on 20 July. At that time we tabled a report consisting of two unrelated parts one being the question of the inclusion of the system of quaestors in our rules of procedure and the other the fixing of a new minimum number for political groups. At the time, the Assembly referred the question back to the Committee on the Rules of Procedure and Petitions. That Committee considered the matter and decided that the two parts of the report, which had no connection with one another apart from the fact that they both concerned the Rules of Procedure, should be dealt with in separate reports. Today we are tabling that part of the report that deals with the quaestor question. I do not have to repeat that the suggestion and proposal that this institution which was set up in 1977 by Parliament and has proved its usefulness, should now be covered by our Rules of Procedure on the basis that the quaestors shall have a seat on the Bureau but not be able to vote, came from six groups in the last Parliament. The House will perhaps be pleased to hear that there was unanimity, with one abstention, in the Committee on the Rules of Procedure that the proposed motion for a resolution should go forward to the Assembly as it stood. I am delighted to tell you that some 50 proposed amendments to this article in the Rules of Procedure were withdrawn at the time by their proposers so that we do not have to bother ourselves with them.

There is one possibly controversial matter in the new Article 7a to be included in the Rules concerned with the quaestor system. It is the question of how many quaestors there should be. The six groups tabling the motion for a resolution and the Committee as well take the view that this should be worded 'at least three' so that the House has the necessary flexibility, in given circumstances, to decide that there should be three, four or five quaestors or some other number.

With your permission, Madam President, I would like to deal with an amendment tabled by the Socialist Group on this subject, in proposal for amendment PE 59 592 which you all have, to the effect that the words 'at least' be deleted which means that the Socialist Group wishes the number of quaestors to be fixed at three and only three.

As rapporteur I would like to recommend that the words 'at least' should not be deleted because this prevents us from changing the number in certain circumstances.

Luster

One argument for this possibility of changing the number is that a proposal is also before the Committee on the Rules of Procedure to the effect that the number of Vice-Presidents, which is now 12, should be increased to 15 if one or other Member State of the European Communities were not represented among the 12 Vice-Presidents. My own view, reinforced by certain opinions I have heard expressed elsewhere, is that we shall not succeed in introducing such a rule which would increase the number of Vice-Presidents to enable Member States who have no Vice-President at the moment to be represented in the Bureau.

We would, however, have available a means of adjustment through the quaestor system if we kept the number of quaestors flexible in our Rules of Procedure since this would provide a way of giving access to the Bureau for countries excluded because they have no Vice-President representation. I would therefore recommend, for what I believe to be good reasons, that you do not agree to the amendment proposed by the Socialist Group to delete the words 'at least'.

I would also take the liberty of pointing out that even if it is now decided to retain the words 'at least', as called for by the motion for a resolution and the Committee on the Rules of Procedure, we shall have another opportunity to discuss the number of quaestors when it comes to their election, which will not be taking place now, but — if I have read the Order of Business correctly — tomorrow.

I therefore urge the proposers of the amendment in the Socialist Group — although I know that I am not giving them much time to do so — to see whether they should not raise the question of the number of quaestors for decision tomorrow when we vote on the names of the quaestors, or whether they attach importance — which they naturally have every right to do — to have the subject dealt with twice, once in this debate on the Rules of Procedure and again tomorrow when they are put into effect.

To sum up therefore, Madam President, the Committee on the Rules of Procedure unanimously proposes — with one abstention — that you should vote for the motion for a resolution tabled by the six groups and give at least three quaestors the right to representation on the Bureau in an advisory capacity under Article 7a to be inserted in the Rules of Procedure.

(Applause)

President. — I call Mrs Vayssade to speak on behalf of the Socialist Group.

Mrs Vayssade. — *(F)* The Socialist Group proposes that the words 'at least' in paragraph 1 of Article 7a should be deleted and that we should thus decide

today to have only three quaestors for this Assembly, and this for reasons which are exactly the reverse of those which Mr Luster has just given. The fact is that the appointment of quaestors is a functional problem for this Parliament and the compromise reached in committee left it possible to appoint three or five, the choice being between these two figures in accordance with the administrative and financial problems that a parliament of 410 members would present. But we feel that it is very wrong to connect up with this problem that of representation of Member States on the Bureau. That problem should be dealt with differently and not just by a kind of compensation, when the quaestors are appointed, because no agreement could be reached on Vice-Presidents. In fact, the State that did not have a Vice-President would not be offered a full place on the Bureau because it would have a seat but no vote. I think we are mixing up two different problems: the operation of our Assembly at the administrative and financial level and the political problem of the presence of the Member States in the Bureau.

I therefore request that the words 'at least' be deleted from the draft proposed in Mr Luster's report.

President. — I call Mr Patterson to speak on behalf of the European Democratic Group.

Mr Patterson. — Madam President, I propose to be brief. I think this House has spent quite enough time on the Rules already, and I do not want to spend any more of my own.

May I first of all, on behalf of the European Democratic Group, say that we welcome this report and also congratulate Mr Luster on his perseverance. We have only met twice so far in plenary sitting and on both occasions we debated his report, and I fully expect that we shall debate reports from Mr Luster for many years to come.

When this matter came up in July, no one objected to this particular part of the original Luster report. Every one agreed at that time that there was a need for settling the matter of the quaestors, and when we came to committee, and once the section referring to Rule 36 had been withdrawn, no one then opposed this particular rule change, as Mr Luster has pointed out. I think this is a victory for compromise and good sense, and indeed it is a good sign that so many people left the Chamber when this debate began, because it shows that people on the whole are satisfied with Mr Luster's report.

It is necessary that we have these quaestors, because a certain number of matters are urgent. In the past, the functions have been carried out by Vice-Presidents on an unofficial basis. Now that we have an enlarged Parliament and, what is more, a new Parliament, it is important that these functions be carried out by separate people from the Vice-Presidents. The urgent matters, as most of you will know, are on a personal

Patterson

level: I myself and a number of my colleagues are wondering how we are to sign the leases on our offices, and that matter, I hope, the quaestors will solve very quickly.

While on the subject of offices, the United Kingdom has a particular problem in so far as we do not know where in a few months' time the office of the European Parliament in the United Kingdom is going to be. That is an urgent matter for the quaestors. And again, there is the report of the Court of Auditors on the amount of money which is spent by the Community on offices. In so far as the quaestors will have responsibility for Parliament's offices, I hope they will get down to work very quickly, because I would like to know how much taxpayers' money we Members of this Parliament are wasting year by year because of the policies of the Community on buildings.

There are a number of matters of detail to be settled, and the first, of course, is the amendment from the Socialist Group. I would agree with Mr Luster that we need flexibility. What we are talking about here is not an immediate problem; we are talking about an amendment to the Rules which should hold good for all future situations, and to tie ourselves down at the moment to three quaestors would, I think, be a mistake. As a matter of fact, my group is not particularly worried whether there are three, four or five quaestors. There are equally good arguments in favour of all three. By a happy coincidence, the appointment or election of quaestors enables us to solve to some extent the problem of the absence of a Member from Luxembourg and a Member from Ireland on the Bureau, for the quaestors will be members of the Bureau in an advisory capacity. So I would support Mr Luster in calling for the rejection of this amendment although the Socialist Group is perfectly at liberty when the time comes to propose that there shall be three quaestors for the current period.

There is what Mr Luster calls a moot point as to how we decide on the number of quaestors, and here I think we can do what in the United Kingdom is called 'relying on the wisdom of the House'. The House, when it comes to vote, will decide whether there should be three, four or five quaestors. Meanwhile let us settle the matter of the Rules as a matter of urgency, because the important thing is to get the quaestors appointed.

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

Mr D'Angelosante. — (*I*) Madam President, when we discussed Mr Luster's proposal in the Committee on the Rules of Procedure and Petitions, the serious, delicate and difficult problem of Luxembourg's representation on the Bureau had not yet arisen. So when we discussed whether the quaestors should be three or five or whether we should leave this open, we did so

not to meet the desperate and anxious expectations of the Grand Duchy of Luxembourg but because there was, as yet, no agreement between the political groups on the number of quaestors. Later, Madam President, when we discussed Miss Flesch's letter at your request, practically everyone — including the rapporteur, Mr Luster, if I am not mistaken — said that we should not overdramatize the matter and that it would be wrong to look for botched up solutions like today's proposal. That is why we consider now — when it is clear that the foundation for it is not agreement among the groups or the quality and quantity of the functions that we wish to attribute to this organ of Parliament but the political, party-based need to agree on a compromise with the Luxembourg representatives — that it would be best to fix the number of quaestors at three and thus to agree to the amendment proposed by the Socialist Group.

I would add a further point, and in this case I am making a personal appeal to you, Madam President, because you are the protector of the minorities... but if you do not listen to me I cannot make an appeal!

The Luster proposal says that the quaestors should be elected by the same procedure as Vice-Presidents but a majority system is used for the Vice-Presidents whereas it is an old tradition of this Parliament, as it is of all other parliaments, that the names should be divided up in the same ratio as the balance of power on the basis of an agreement between the various groups. In this Assembly, however, where a new majority that has never existed before is tending to form and establish itself, an attempt is being made to interfere with that tradition by force, bullying and, sometimes, arrogance, the object being to discriminate against the minorities. It happened in the case of the Chairman of the committees when, for the first time ever, it was argued — and for my part the matter is somewhat ridiculous — that the Hondt system did not apply among the groups and that the people concerned in the distribution were not the parliamentary groups — which has always been the case here and in every parliament in the world — but a kind of pool made up of only certain groups. But this is the best possible system for riding roughshod over the rights of the minorities.

Today, we are asked to apply the same system. Agreement could not be reached, and somehow and in some way a country — in this particular case the Grand Duchy of Luxembourg — has to be fitted in somewhere. But at whose expense, Madam President? Certainly not that of Mr Luster's group, the pride and glory of Europe, not that of the Socialist Group, the biggest in this Parliament, not that of the Conservative Group, which, with 6 million votes, has 64 Members whereas we, with 17 million votes, have only 44, but at our expense, because if four quaestors were appointed, following the tradition, the fourth would

D'Angelosante

be a Communist. It could be objected that the Luxembourg is not a Communist, but that is not our fault. And on this subject — to speak frankly — I know very well that you will give the fourth post to a Luxembourg liberal. Unfortunately, a new tradition has begun in this Parliament with which we are obviously not in agreement. True, we shall not make a fuss about these things. We have not come here, and nor do we go anywhere else, asking for jobs but it should be clearly understood that these games are not being played to put right mistakes made in the past but to commit new ones. And that is why, firstly, we do not want this, Madame President, to be the system applied for electing quaestors. Secondly we ask that the proposal be referred back to the committee for consideration of the electoral system and, thirdly, we address a humble and sober appeal to you not to allow high-flown speeches to cover up petty deception.

To sum up, Madam President, there is no regulation in the world requiring that, when the number of constituents of a legally significant body is established, the number should be preceded by the adverb 'at least'. The number is always fixed — even children know this. If we want to be a serious Parliament we should stop behaving like a club of gentlemen with a friend to find room for and determined to help him at all costs. We ought to behave like a real Parliament.

This 'at least', which hides the political reasons that I have briefly described, is a real monstrosity from the legal and parliamentary standpoint. For all these reasons, Madam President we recommend the Assembly to adopt the amendment and, secondly, to note the points that we have made.

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

Mr Galland. — (*F*) Madam President, the Liberal Group wishes to support Mr Luster's proposed new text as it stands. Mr D'Angelosante has just appealed to your wisdom but I can tell you that, whenever the Committee on the Rules of Procedure has wanted to study the serious problems arising out of the difficulties we met with in our work at the last part-session, Mr D'Angelosante has always preferred to avoid discussion or postpone it because of what he claims are the scurvy tricks of some unidentified majority.

We also very much deplore the amendment tabled by the Socialist Group and firstly for technical reasons. Madam Vayssade has referred to two aspects which are perfectly right. The first is functional and the second political. On the functional aspect, Article 7a reads as follows: 'The quaestors shall be responsible for administrative and financial matters directly concerning Members, pursuant to the directives adopted by the

Bureau'. From previous Members of this Assembly, who numbered less than 200, I have heard nothing but praise for the work carried out by earlier quaestors. Now that the number of Members has more than doubled how, functionally, can we seriously argue that the work for twice the number of Members can be carried out by the same number of quaestors? To us this seems absolutely impossible.

Then — I agree, Madam Vayssade — comes a political question. Having stressed the utility of the quaestor's role, I am sorry that the Socialist Group was unable to bring in the question of solidarity. You know very well, Mrs Vayssade, that the way discussion has gone in the Committee on the Rules of Procedure, it is out of the question to expect the number of Vice-Presidents to be increased — it would be irresponsible. You also know that these Vice-Presidents whose term of office will be two and a half years or some other period (this has not yet been fixed but will be a minimum of one year) are not going to resign. So this raises the problem of two countries, Luxembourg and Ireland. And you know that by keeping the number of quaestors to three will not solve the problem of these countries not represented on the Bureau even in an advisory capacity. Can it seriously be accepted that these two countries should not be represented on the Bureau in an advisory capacity at a time when it may be discussing problems as important, for example, as the location of our Parliament?

It is for these reasons — the need for the right number of quaestors in view of the fact that we have twice the number of Members and our solidarity as regards these two countries because we know that they will not be represented unless the number of quaestors is increased — that we recommend that Mr Luster's excellent Article 7a be adopted as it stands.

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

Mr Nyborg. — (*DK*) Madam President, I have pleasure in speaking here both as chairman of the Committee on the Rules of Procedure and Petitions and on behalf of my group. This does not create any conflict of interest for me as my group's view of the situation in question is the same as my own.

Much has been said here about the fact that Luxembourg is not represented in the Bureau. Neither is Ireland, but I have very great doubts as to whether it is correct to link this problem with the question of the election of quaestors, as it is common knowledge that the quaestors do not have the right to vote in the Bureau; if elected in this way, these two countries' representatives would be a kind of second-class members of the Bureau, since they would not have the right to vote.

Nyborg

I would very much like to endorse Mr Luster's comments concerning the whole problem of the quaestors. We need to elect quaestors as soon as possible, as a whole series of tasks awaits them. A large number of urgent issues need to be resolved here and now, and this is something that affects us all. As was rightly said previously, the quaestors in the former Parliament — of 198 Members — were kept very busy. The number of Members has now increased and there is a greater need for office accommodation, etc., so I doubt very much whether we can reasonably impose this workload on only three quaestors. We should, after all, bear in mind that all of us in this Assembly are elected to perform a political job, and the quaestors who are elected should not spend all their time on technical matters but should also be able to be politicians in the real sense. I therefore feel that it would be quite wrong to insist on a specific figure — in this case, three.

I take the view therefore that it would be wrong to follow the socialist proposal to delete the phrase 'at least'. What we need is flexibility. We need to formulate the Rules of Procedure in such a way that there is reasonable ground to believe that the changes we make now will not have to be changed again in six months' or a year's time. I would therefore urge the Socialist Group to withdraw its proposal. Failing that, I must recommend that the Assembly reject the proposed amendment.

President. — I call Mrs Bonino to speak on behalf of the Group for the Technical Coordination and Defence of Groups and Non-attached Members.

Mrs Bonino. — (I) Madam President, ladies and gentlemen, the subject we are discussing today — the direct election of quaestors by Parliament — affects the way in which Members' work is done and this is the only reason why we agreed, on behalf of the Group, to a part-change in the Rules of Procedure.

In our view the Rules of Procedure are the basic instrument of work of every single Member as such, separately from his membership of a group. For this reason we consider that the whole Rules of Procedure text should be revised and we also think that this new directly elected Assembly should, as its first task, tackle the job of framing the new philosophy that should inspire their drafting and deciding on responsibilities and, above all, the rights and duties of the properly elected individual Member who, as such, is answerable to his own electorate and his own public opinion.

We would therefore, in principle, be against any piecemeal type of change to the Rules of Procedure — one article today and another tomorrow — except perhaps to solve problems of political or national shares. This is not the purpose of changes to the Rules and it is

this that I think we ought to resist in order to prevent having to make further changes to the Rules of Procedure in a year or two's time when the situation is different or if Greece and Spain join the Community.

We have, however, approved the Article regarding the election of quaestors and withdrawn our amendments because we feel that perhaps a number of problems can be solved in this way, at least as regards the working conditions of Members whether they belong to a group or — in particular — are non-attached. Even those that belong to groups encounter technical problems — not, of course, due to a lack of goodwill but rather to the fact that this is a new Parliament with twice the number of Members — making working conditions difficult.

I am not referring so much to the three locations, which are quite a different problem, as to the minor organizational problems that I believe affect all Members, such as correspondence and information. I am sure that many Members, like myself, arrived here without knowing what was on the agenda and without having the reference documents, and although these gaps can be filled in, for the big groups, because there is an organized staff, for the non-attached Members and small groups they amount to real discrimination in terms of the contribution and political work that each Member — not the Group — is required to deliver in this Parliament in order to be answerable to his own electorate and his own public opinion.

We reached the decision to approve the Article on the election of the quaestors precisely in the hope that these quaestors would take it upon themselves first and foremost to improve Members' working conditions — and particularly those of the non-attached — remembering that this is a Parliament of Members and not groups and that it is essential to have a set of rules for Parliament enshrining the individual Member's rights and duties. The working difficulties encountered at the committee meetings in Brussels, for example, will, I am sure, not have escaped any of the Members that took part in them when it is reflected that not one of us even had a table on which to put his papers and that, between one meeting of the committees and the next, we had to go to the bar because there was nowhere else where we could study the papers or where we could meet with other Members. I hope that this is a temporary situation — I have heard that a new complex now being built in Brussels is to be made available but certainly, in this predicament, our working conditions — and here I am referring to committee meetings — are extremely difficult.

As regards the Rules of Procedure, I would like to address an appeal to this Assembly. It is true that these rules of Procedure need to be revised but, in my opinion, this should be done in complete calm and

Bonino

with the greatest seriousness because any ambiguity will, in fact, be an obstacle to the running of the Assembly. In my view it is only by taking enough time to compare national parliamentary experience in the individual countries and the results that these have produced that we shall be able to produce a satisfactory result.

I would add that, if it is not withdrawn, we shall support the amendment tabled by Mrs Vayssade on behalf of the Socialist Group. This was one of the series of amendments that included those tabled by myself and which I have withdrawn for the reasons set out above.

I would also like to restate the need to eliminate the aspect of procedural uncertainty characterizing our Assembly but not by opening the door to manoeuvres of political bargaining which need to be avoided. To my mind this is extremely important for the transparency of the overall running of Parliament. Since we do not yet know how this 400-member Assembly is going to be governed I think that, for the moment, we can elect the three quaestors and place the lessons of this experiment in store where it will be extremely useful for the general revision of the Rules of Procedure. In any case it is not a question of deciding whether three quaestors will be enough or if five will be necessary, it is not a question of leaving some measure of flexibility as has just been said — whereas, in fact, this is a Parliament that is extremely rigid and strict on other Articles in the Rules — what is really involved, and this has been confirmed by everybody, is a problem of national representation. We therefore have to decide whether to maintain the principle of national representation or not and the same problem will arise in the Committee on the Rules of Procedure when — if I have not misunderstood — a decision has to be taken on the number of Vice-Presidents.

In conclusion, I simply hope that our acceptance of this change and, I repeat, this change only — although we shall give our full, positive and certainly non-obstructionist cooperation when it comes to defining a complete set of more organic and homogeneous Rules of Procedure — will enable individual Members, those in the small groups and the non-attached, to find it easier, materially at least, to do their work.

President. — I call Mr de Goede.

Mr de Goede. — *(NL)* Madam President, Mr Luster's name, for me, will always be linked with the emotional first part-session last July. Today I would like to deal with the paper under his name as objectively as possible.

Firstly, therefore, the question before us is whether it is urgent to decide today on the question of whether quaestors should be appointed or not. From the papers I gather that a college of quaestors has always

functioned without any provision for this in the Rules. I therefore fail to see the reasons why it should be urgent to settle this matter today separately from other change to the Rules of Procedure. I would like to know from the rapporteur why this is now urgent when clearly it has not been urgent for so long.

Secondly, there is the question of the reason for this proposal. I must confess that I find it extremely weak in the most literal sense of the word because the explanatory statement says purely and simply that 'this body has worked very satisfactorily'.

Might we perhaps be told why it has worked satisfactorily? Could we also have an assessment of it? For example, what have so far been the terms of reference for the college of quaestors? What has their relation been to the President and the Vice-Presidents? Why cannot their duties be entrusted to the existing college of Vice-Presidents?

These are all questions, Madam President, that ought at least to have had an answer in the explanatory statement to the proposal. There has also been talk of a number. Three at least, says the rapporteur and the majority of the Committee is in agreement. An amendment has been tabled. I agree with those who say that it is customary, certainly in parliamentary bodies, to set an upper limit. This applies to the number of Members of Parliament and we ourselves decided the same thing on an earlier occasion with regard to the number of members of each committee. We also decided — it is in the Rules of Procedure — what the maximum number of Vice-Presidents should be. Why should we not fix a maximum number of quaestors as well? Surely it would be normal. If we say 'at least' three, it implies that we can all have a fourth quaestor.

This is ridiculous when you come to think about it, naturally, but it is normal to fix a limit to the number of members of parliamentary bodies.

Mr Nyborg says that we do not yet know whether three will be sufficient or not.

To that I would reply that the question has clearly not been sufficiently studied if the answer to that simple question cannot yet be given. Should there be three, four, five or more? Well, let the responsible committee first settle this again with the Bureau.

Mr Luster should at least have given an answer to the question of why the duties concerned could not be carried out by Vice-Presidents under the political responsibility of the Bureau. After all there are twelve of them. If the number of quaestors is now going to be a minimum of three then the number of people taking part in the deliberations of the Bureau will be a minimum of 23.

There are 12 Vice-Presidents, seven Chairmen of Groups and a minimum of three quaestors. This number could quickly mount and in that way we shall be creating a new mini-parliament in this Parliament

De Goede

as it now is. And then we would need to elect a kind of Bureau from the Bureau itself.

Madam President, this would be fatal. I am not in the slightest convinced of the need for this proposal. The political point involved is that a number of countries will not be represented. I would like to refer to what Mr Nyborg said, which is that this instrument offers no solution to the problem. After all the quaestors are second-class members of the Bureau. They have no right to vote. They get a kind of lollypop: 'you can listen and you may, at a pinch, say something but you cannot take part in the decisions'. So this quaestor instrument is of no use in solving the problem of the representation of different countries.

Madam President, may I take this opportunity to raise two questions, one to the rapporteur and one to both the rapporteur and yourself together.

Firstly, we had a debate last time on the revision of the Rules of Procedure and it was decided that the subject should be referred back to the Committee on the Rules of Procedure and Petitions. Mrs Bonino is, of course, correct in saying that it is right and logical for this to take place in the committee. On the other hand, however, I would refer to the urgency of this revision which was stressed in the motion for a resolution tabled by Mr Glinne, Mr Klepsch and Mr Scott-Hopkins on behalf of their Group. This makes the point that the Rules of Procedure urgently need revision because a number of groups of non-attached are not enjoying a number of fundamental parliamentary rights. So I feel that something ought to be done about this quickly.

My question to the rapporteur is: can he give a date by which the revision will be completed?

May I just give one more illustration, Madam President, of the urgent need for the revision of the Rules of Procedure? Yesterday you had Parliament settle the allocation of speaking time for next Thursday's debate on the budget. In spite of the doubling of the time allowed the fact remains that Mrs Dekker and I together will have a total of 1 minute 50 seconds next Thursday to speak in what is probably one of the most important debates held by Parliament, namely that on the budget. That is evidence enough that the present Rules of Procedure are untenable on this point. What is more I will not, in fact, be able to take part in Thursday's debate and that shows sufficiently that at the moment we are being denied an elementary right.

Lastly another question to you, Madam President. In the briefing I read that the question on the maximum number of members necessary to form a political group has again been submitted to the Bureau and the groups by the Committee on the Rules of Procedure and Petitions. Why has that question not been put to the non-attached as well? The subject concerns us too. We also have our opinion on it. Why is a distinction persistently made between groups and the non-attached when dealing with purely administrative

matters? Mrs Bonino has already referred to this. I would earnestly beg you to ask the Secretary-General to ensure that all organizational and political matters that are referred to the groups should also be referred to the non-attached.

President. — I call Mr Paisley.

Mr Paisley. — Madam President, I would like to intervene briefly in this debate to say that I believe the matter before this House is one of urgency. I say that coming from Northern Ireland, which I represent as a non-attached Member in this House. Northern Ireland has no Community Office. The previous Parliament, in its non-wisdom, voted that it should not have an Office of the EEC. And so the whole matter was held up. I think these quaestors need to be able to take up their duties immediately so that the matter of Northern Ireland can be taken into account and the people of Northern Ireland given the same consideration by this House as any other part of the Community.

Secondly, there is no official of the Community appointed to Northern Ireland. There has been all manner of discussion, we are told, about this matter, but as yet it is still in abeyance. So I trust that the matter of quaestors will be settled by this House urgently so that Northern Ireland can have the same fair share of administrative and other facilities made available to its people as any other part of the EEC.

I would like also to say that non-attached Members should be considered; they should have the same access to the documents of this House as any other group. They should not be discriminated against. I sat for some years in the British House of Commons as an independent member, but all facilities of the Commons were made available to me. I feel that that rule should also govern the procedure of this House.

President. — I call Mr Luster.

Mr Luster, rapporteur. — (D) Madam President, kindly allow me a few more comments. Let me say at the outset that what I have already said — by way of opinions, not in connection with the preparation of the report — was also said on behalf of the Group of the European People's Party. Secondly, I am extremely grateful to all speakers in the debate for the considerable objectivity with which today's subject has been discussed. Thirdly, we have not been able to achieve complete unanimity on all questions and that is inevitable, surely, in a parliament of 410 Members, unless they are all cast in the same mould, but I feel that I have established that the vast majority of the House considers the institution of quaestors to be important and to such an extent that quaestors should have a seat on the Bureau in order to be involved in the work

Luster

on all major questions. Provided the motion for a resolution is adopted this way or that then we shall soon be able to elect the quaestors.

The questions that I now wish to answer briefly are those raised in this connection by Mr de Goede. He asked — at least I think it was Mr de Goede — what the programme was as regards the revision of the Rules of Procedure as a whole. If I may be allowed to step in before the Chairman of our Committee, we hope — provided the quaestor problem is resolved today — to be able to submit all the points that are urgent as regards the revision of the Rules of Procedure to Parliament at its next part-session. Those points are firstly the final settlement of the question of the minimum numbers in political groups, secondly the question of how major rights as referred to in the abstract in the motion for a resolution tabled by Mr Glinne, Mr Klepsch and Mr Scott-Hopkins, may be guaranteed and thirdly how this House can protect itself against obstruction. We shall endeavour to bring these three points up at the October part-session and then discuss the full reform of the Rules of Procedure from November on. I cannot say when we shall finish, because I am no prophet, but we shall make a great effort to deal with the matter as quickly — but also as thoroughly — as possible.

This having been said, may I — on the assumption that everything for and against has now been discussed — ask Madame President to have the vote taken on the motion for a resolution.

President. — I call Lord Hamar-Nicholls.

Lord Hamar-Nicholls. — Madam President, I was wondering whether, even at this late hour, the Socialist Group could be persuaded not to proceed with their amendment, which would save time this afternoon. Having listened to the debate, which has been very explicit and very helpful, I cannot help feeling that their approach is a negative one. If they withdraw their amendment now, they will not be giving up their authority to try and have three reimposed as the figure. The recommendation coming from the members of the Committee on the Rules of Procedure and Petitions seems to me to be a very realistic one. They have said that, taking into account all the problems we see in front of us, the existing number of three is not likely to be able to do the work properly. Therefore, we do not want to be restricted under the Rules to three.

Now somebody has said you ought to have a ceiling. I think that in working a rule such as this, and it is quite in keeping with normal parliamentary procedure as I understand it, you need a floor and a ceiling.

After the Committee on the Rules of Procedure and Petitions have eventually recommended their number, they will be saying that the floor is three — the number shall be no less than three — and later on they may say the ceiling is four or five or whatever figure they deem to be the correct one for carrying out the essential work that quaestors have to do. Now what the Socialist Group are saying, at this very early stage with their amendment, is that the floor and the ceiling shall be three, that three is the number of quaestors that we insist shall carry out this important work. I believe that to be committed rigidly to that figure at this stage, at the beginning of the life of this extended Parliament, shows a rigidity which really is negative. If they remove their amendment now then when a figure is recommended they can come back again and suggest that that figure is three, if they can establish that as the correct number to carry out the essential work that would have to be done.

I personally cannot accept the suggestion that a quaestor would be a second-class citizen on the Bureau. I believe it is very valuable indeed to be able to put your case. The fact that you are not able to be one of the voters upon it later is a slight disadvantage, but I would rather be in a position to put my case so that those who have the power to vote know about it and not be allowed to vote myself rather than not be there in order to put my case so that it can be taken into account by the people who have the voting-powers.

So my appeal, Madam President, is this: I believe that the speeches we have heard, particularly from the chairman of the Committee on the Rules of Procedure and Petitions and from Mr Luster himself, establish that to be rigid and negative at this stage in this new Parliament cannot be right and that if the Socialist Group would withdraw their amendment they can come back with a stronger and more detailed case to support the figure of three if that is what they think, but they ought not, at this stage, to try and preempt the future by insisting upon their amendment. And I wonder even now if their spokesman could be persuaded to withdraw their amendment so that we can get on to the details later.

President. — I call Mr Glinne.

Mr Glinne. — (F) Madam President, I would like to state that the heads of the political groups will be having a meeting on this question in little more than an hour from now. Perhaps it would be better not to continue discussion on this point, but we will not withdraw the amendment since the vote does not take place until tomorrow.

President. — The debate is closed.

The vote will be taken at the next voting-time.

4. Abolition of compensatory amounts

President. — The next item is the oral question, with debate (Doc. 1-286/79), by Mr de la Malène and Mr Lalor, on behalf of the Group of European Progressive Democrats, to the Commission, on the abolition of compensatory amounts :

In view of the small extent to which compensatory amounts were dismantled during the latest agricultural price negotiations, can the Commission state how soon and at what rate they will finally be abolished ?

How does the Commission intend immediately to rectify the persistent distortions of competition caused by compensatory amounts which are tending to become a structural phenomenon ?

I call Mr Buchou.

Mr Buchou. — (*F*) Madam President, ladies and gentlemen, once again our Group is underlining to this House the essential need for a rapid reduction in the compensatory amounts leading finally to their complete abolition particularly when their continuance, scale and cost are a direct threat to the coherence of the common agricultural policy — which is certainly the case today.

The basic principles of the common agricultural policy imply fixed rates of exchange within the Community. The general spread in currency fluctuations disrupted the mechanisms of this policy and made it necessary to introduce monetary compensatory amounts to remedy a situation that was not expected to last.

In actual fact, the corrective action for monetary movements intended as a temporary protection for the Community's agricultural policy has reached such a degree of complexity that farmers and industry now regard compensatory amounts as obstacles to the development of trade in the Community, creating distortions of competition in the agricultural sector by altering traditional trade flows.

For example, exports of agricultural produce by certain Member States, and France in particular, have for many years been curtailed through the effect of compensatory amounts, with repercussions on our trade balance, our farmers' income and our own budget but also on the Community budget. These distortions are multiplied at the level of the agro-food industries. They therefore widen the gaps between European trade structures.

During recent months and particularly in March and July, various agreements have come into effect with the object, we are told, of dismantling the system of monetary compensatory amounts, but what are the real facts ?

The new compensatory amounts, that is to say those which would be created following changes in parities in the European monetary system will, in principle, be abolished within a period of two years following their creation, provided that the Nine introduce price increases in units of account during that period. This condition — which is essential — is incompatible with the freezing of agricultural prices. This freeze requested by certain Member States is unacceptable for agricultural producers and some disquiet is therefore reasonable with regard to the value of these agreements entered into last spring and again this summer.

The slight, 1.5 % increase in July — more or less equivalent to a freeze — which also applied to milk did not allow any dismantling of the positive compensatory amounts that are a threat to the future of the common agricultural policy.

At that rate, Germany whose compensatory amounts come to nearly 10 % would take over 6 years to abolish them. It would, in fact, be purely nibbling at the compensatory amount system and a kind of elegant way of avoiding settling the problem once for all.

This dangerous situation is aggravated by the growth in speculative trade flows. We are even at the point of wondering, for example, whether the milk powder and butter stocks that are building up, and which are particularly high in Germany, are not to be blamed on the attraction of positive compensatory amounts. There is indeed reason to be seriously concerned about the future.

The existence of these compensatory amounts has encouraged an artificial growth in agriculture in the strong currency countries. If we look more closely at the facts, the compensatory amounts in France have fallen, under various agreements, from 10.6 to 5.3 and then 3.7 %. For pork they have been abolished to our great satisfaction and we hope it is final.

But nothing has been changed as regards the positive compensatory amounts paid to German, Belgian and Netherlands farmers (nearly 10 % in Germany and over 3 % for the Benelux). We are a long way from the total abolition of the system of compensatory amounts that we have been pressing for so earnestly. If there are any further sharp changes in parities, ladies and gentlemen, confusion will prevail in the monetary field.

This summer, for example, the firmness of the pound gave us the pleasant surprise of seeing British compensatory amounts fall to zero but with the new attack of weakness suffered by the British currency new compensatory amounts are upsetting agricultural trade flows again. The recent revaluation of the Deutschmark is going to add to the confusion. On this point, we would like to say that this provides the Commission with an opportunity to promote a political agree-

Buchou

ment keeping the compensatory amounts at their present level in spite of the revaluation of the mark. Once and for all we have to do away with this mechanism which has shown its limitations and which puts too heavy a financial burden on the whole of the common policy and creates unacceptable distortions. We may, it is true, regret that the mechanisms introduced in March 1979 have not given the results that were expected but we can do no more than note the facts. Any forward-planning of common agricultural policy is impossible as long as farmers' income depends on the uncertainties of the day-to-day monetary situation in the Community.

A reform of the system of compensatory amounts is more than ever necessary today in order that monetary factors should have a neutral effect on the regulations on market organization on which this common agricultural policy, itself one of the foundation stones of the European Community, is based.

(Applause)

IN THE CHAIR : MR JAQUET

Vice-President

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — *(DK)* Mr President, I would like to thank Mr de la Malène and Mr Lalor for the questions they have tabled concerning a fundamental problem affecting the common agricultural policy. As Parliament will be aware, the arrangement providing for monetary compensatory amounts was introduced as a result of the fact that the member countries — first France, later West Germany and, later still, others — did not want the results of monetary changes to be reflected directly in the agricultural sector, a view which one naturally can appreciate, particularly when one thinks of consumer prices. However, the system does conflict with the fundamental realities of rises or falls in the value of a given currency.

Thus, the system was introduced as a means of avoiding the direct effects on prices of currency fluctuations and developed subsequently into a permanent arrangement that was intended to ensure that the market mechanisms, intervention, etc. functioned smoothly and without being disrupted by almost daily fluctuations in the relationships between currencies. This was, of course, at a time when the currency market was subject to very substantial fluctuations almost from one week to the next.

However, as monetary fluctuations became more accentuated, the arrangement — and here I fully agree with the honourable Member — developed into a system that had very grave drawbacks for the common agricultural policy, mainly because it meant the intro-

duction of a complicated system of levies on, or support for, agricultural products traded across the internal frontiers in fact, a disruption of the functioning of the free market in the agricultural sector. Moreover, the arrangement was comparatively expensive for the Community budget, often approaching almost 1 000 million units of account, although the figure is less today. How it will develop in the future depends on the decisions taken and on the evolution of exchange-rates. It is also plain that such a complicated system of charges and support inevitably entails a risk of deflections of trade, however much care is taken with the way in which these charges and support grants are calculated and with the coefficients that are applied when proceeding from grants for complete carcasses of pigs to parts of pigs or from processed ordinary milk products to processed milk products, etc. We have been confronted with cases of this nature and have submitted reports on them both to the Council and to Parliament. All these factors taken together make it abundantly clear that the system of monetary compensation is in itself a burden and an obstacle to the proper free development of the common agricultural policy.

A new phase was fortunately initiated with the implementation of the European monetary system. In connection with the latter, the European Council adopted, on a proposal from the Commission, certain basic provisions relating to the phasing out of MCA's. The Council stressed — and here I quote from the resolution of the European Council — 'the importance of henceforth avoiding the creation of permanent MCA's and progressively reducing present MCA's in order to re-establish the unity of prices of the common agricultural policy, giving also due consideration to price policy'. This resolution by the European Council was discussed length by the Council on the basis of detailed proposals from the Commission, which has incidentally, for the last three to four years, tried to secure the adoption of an automatic scheme for phasing out MCA's, without, however, having obtained the Council's support. This time we secured, in the first instance, a gentleman's agreement in the Council. The gist of this agreement is that an effort will be made to phase out existing MCA's as swiftly as possible and, at the latest, within four years, although, it is hoped, sooner. This is to be done in connection with the annual price negotiations, having regard to the two other main principles that this does not of course justify the introduction of an automatic mechanism for increasing prices and that, conversely, it cannot be accepted as politically realistic that this development should lead to a drop in prices expressed in national currencies in any country.

As regards new MCA's they are, under the terms of the agreement, to be phased out, as the honourable Member has pointed out, at the latest during the two

Gundelach

marketing years following their introduction where this has proved unavoidable. The process of phasing out new and old MCA's will naturally be greatly encouraged if the European monetary system functions well and fewer currency changes occur in the future than in preceding years. If, under the pressure of economic events, we are forced back into a situation with frequent major fluctuations in exchange rates, I fear that the political scope for phasing out the system of MCA's over a relatively short period may — whatever the Commission's wishes — be severely curtailed.

As for the future, where the efforts to phase out MCA's — as is clear from what I have said and from what the honourable Member rightly stated — naturally will depend on the kind of solutions found to the price problem and other problems relating to the common agricultural policy, I would like to say that this is not, of course, the right time for putting forward proposals on pricing policy for 1980 and 1981. We must discuss these matters when the Commission has presented its proposals to Parliament at the end of the current year. It is only logical, however, that if prices expressed in units of account are frozen for years ahead and if prices expressed in national currencies be reduced, while it may be possible to phase out negative MCA's it will not be possible to phase out positive MCA's. Without at this juncture wishing to express a view on future price policy, it would, with the current rate of inflation, rising costs and much else besides, probably be unrealistic to expect that all agricultural prices will be frozen in the coming years. I feel, therefore, that there are good grounds for expecting that we shall be able, within the framework that has been laid down, to phase out positive MCA's over a foreseeable period of time provided we are not confronted with major new changes in exchange rates more specifically, sharp revaluations of the German mark.

An effort has naturally also been made to reduce the effects of MCA's by examining a number of individual areas where there seems to have been the greatest distortion of competition. In this connection the Commission has presented a number of proposals, most of which were eventually adopted by the Council modifying the basis of calculation for and thereby reducing, for example, the MCA's for pigmeat; the coefficients have been altered, with the result that the MCA's for, for example, bacon, have been reduced; the basis of calculation for a series of processed dairy products has been altered, thereby reducing the MCA's and MCA's for the import of pigmeat have already been eliminated in France, which has helped to resolve an acute problem affecting relations between this country and certain other Member States. I have drawn attention to all these changes because they have helped to offset the adverse effects of the system as a whole and not

because they are an alternative to a continuing policy aimed at the complete phasing out of MCA's for the system as a whole — and on this point I agree with the honourable Member — is not beneficial for the common agricultural policy, whether from the point of view of unity of the market, of the free movement of goods or from the budgetary angle.

I would like to say a few words about the changes in exchange rates that took place at the week-end. Without going into detail, I can inform Parliament that they will have extremely limited consequences for MCA's and that, before the end of this week, the Commission will ask the Council to put forward proposals to insure against any increase in positive MCA's. I feel quite certain that this can be achieved. Some adjustments may need to be made to the negative MCA's. This depends to a certain extent on whether the national governments want to see prices increased by a small amount in national currencies or, alternatively, a slight increase in negative MCA's; this must be negotiated. The amounts in question are at all events very small, but there will be no question of any increase in positive MCA's.

The Commission's position in these Council negotiations will at all times be to do its utmost to prevent the introduction of new positive MCA's, as they are extraordinarily difficult to eliminate, and to eliminate remaining MCA's over as short a period as is humanly possible, because these arrangements are incompatible with the fundamental principles of a common agricultural policy. It has, for this reason, always been my opinion and that of the Commission that MCA's should be eliminated. We have tabled a series of proposals with this object in mind. They have not all been adopted, but we feel that, after the decision by the Heads of Government in December last year, we have made a start and are entitled to hope that we can achieve better results in the coming year.

As my final comment, I would like to say that we must not forget that the difference between the highest and the lowest prices expressed in national currencies was in the region of 44 % at the beginning of this year as a result of MCA's. Today, it is only 16 %. In other words, substantial headway has been made towards a system of uniform prices within the common agricultural policy.

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

Mr Sutra. — (*F*) Mr President, ladies and gentlemen, I would first of all like to return very briefly to the origin of the monetary compensatory amounts. It was when we no longer had fixed exchange rates — the prices of certain agricultural products being fixed in European units of account — that fluctuation in national currencies caused continuous changes in the value — in the national currencies — of the prices given in European units of account. These compensa-

Sutra

tory amounts were therefore introduced which were, in principle, intended to make up for any change in the relationship between the national currency and the European unit of account. What actually happened? When a country was hit by inflation and suffering monetary difficulties and when the value of its currency fell, it had to penalize its exports and subsidize its imports. Conversely, a buoyant country with a very strong currency had its exports subsidized by the weaker countries buying them from it. With a system which, initially, was intellectually satisfactory on paper we had therefore rediscovered, because it had already given yeoman service in the past, the principle of the poor helping the rich.

Let me point out another defect. Monetary compensatory amounts are blind. Because it is a question of compensating each national currency in relation to the European unit of account they are applied blindly regardless of what product is involved and which country the imported produce originates from. Whence the further abnormality that, between two countries with different inflation rates, they function completely the wrong way round to the disadvantage of that with the lower.

We need to look no farther for the origin of the enormous social cost of what is called in France the pork war and the wine war. The social cost is extremely high and the monetary compensatory amounts have demonstrated their economic uselessness as a way of bringing about a balance between production and consumption. You may tell me that this was not their purpose but the common agricultural policy is a whole and these compensatory amounts proved unacceptable in their economic effectiveness as well as anything else.

Lastly, and above all, they seem to us to be completely unacceptable in terms of the solidarity between the richest and the poorest nations.

This is why we support the proposal requesting the abolition of monetary compensatory amounts.

President. — I call Mr Früh to speak on behalf of the Group of the European Peoples' Party (C-D Group).

Mr Früh. — (D) Mr President, ladies and gentlemen, we have before us a very difficult problem with which we have been concerned for years, namely the monetary compensatory amounts. The Group of European Democrats has now put forward a motion for a resolution asking for the dismantling of monetary compensatory amounts to continue.

In our Group we did not find the discussion of this problem easy because countries are different and therefore their interests are different. For these reasons we take the view that the major achievement of the common agricultural policy, based on common prices at fixed exchange rates must not be imperilled.

When these fixed exchange rates came to an end, problem 69 naturally arose. Two-year transitional solu-

tions were first tried and then the monetary compensation system was introduced in order to prevent abrupt changes in agricultural prices. In the meantime these changes in parity had often been a heavy charge on the agricultural policy. You know that all the efforts made to dismantle positive and negative monetary compensation have not yet attained the objective we would have liked simply because changes in exchange rates keep happening. I am therefore particularly grateful to you, Mr Gundelach, for saying how far we had come apart — namely 40 % on account of the various hard and soft currencies — and that, with great efforts, it has now been possible to bring the figure down to 16 % . But recent events, Mr President, show very clearly that it is not the fault of the agricultural policy or any other wrong decisions that we are having to struggle with this problem. Instead they show the crucial importance of ensuring more stability in the monetary sector and compressing the difference in inflation rates between individual countries. The EMS should be a decisive step forward in this direction.

It is also the view of our Group that in this manner the monetary compensatory amounts should be dismantled in two ways covering both the negative — and here we have already been very successful, coming down to relatively low figures by comparison with earlier days — and also the positive amounts under agreements like those reached in the framework of the price decisions made in early summer this year. I feel that if there are efforts by all sides in both directions we shall reach more stability and also be successful in disposing of the problem of compensatory monetary amounts and gradually recreating an agricultural Common Market. That is our objective. I do not believe that we shall achieve anything at all by suddenly abolishing monetary compensatory amounts if parities are not compatible with this step. We would merely be papering over things that are not in order.

Therefore it is really our opinion that this problem should be tackled and a solution found by common efforts extending also to the price negotiations — without any reduction in income in the national industry as you clearly stated, Mr President.

Therefore it is really our opinion that this problem should be tackled and a solution found by common efforts extending also to the price negotiations — without any reduction in income in the national industry as you clearly stated, Mr President.

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

Mr Curry. — Mr President, ladies and gentlemen, we in the European Democratic Group are broadly in sympathy with the aims expressed by Mr de la Malène, although we have certain doubts about their practical implications.

Curry

We are pleased to note, as he was also, that the pound sterling has come from the 30 % gap which existed at the start of this year between the green pound and its value on the foreign exchange markets to its current level of only around 10 % and that at one point, indeed, the Commission was able to eliminate sterling monetary compensatory amounts altogether. Our Danish friends are even more on the side of the angels in that they have always pursued a policy of maintaining no distinction between value and the foreign exchange value of their currency.

We recognize the basic logic that if we have a common market in agricultural products, it should be a real common market in which farmers are able to compete on equal terms across the Community. But we wonder, Mr President, whether many of the people who call for free competition in farm products have necessarily thought through the implications of what we are saying, because in fact that implies a specialization in farm production across this continent which no Council of Ministers has ever been prepared to envisage and to which we in this group would not necessarily be opposed. However, the question of MCA's raises a much broader issue than that simply of competition or the lot of the farmer. In particular, it touches very closely the right and ability of a Member State to retain control of its own economic policy and its own fight against inflation and unemployment. We in this House have had a lot to say about it this week, and it seems to us that economic sovereignty is one of the prime sovereignties we should be here to conserve and defend.

In particular we would not be able to endorse any system of automatic adjustment which meant that sudden fluctuations of currencies would have an immediate and unpredictable impact on the domestic price-level. In addition given the rapid fluctuations of currencies, any automatic mechanism would be to introduce rigidities which would hurt trade rather than promote it. In other words, we have to reconcile differing priorities. Of course, the existence of MCA's distorts the market, but the real problem here is the persistent belief that in the EEC one can create managed markets which are somehow immune to the economic realities which exist in the outside world. In attempting to maintain the fiction of a common market, we create a remedy which is frequently worse than the illness it was designed to cure. There is also, as I have said, the priority of combating inflation, which every country in the Community regards as a priority. The movements of currencies, which are the cause of the imposition of MCA's, are themselves in part a reflection of the relative economic performances of the member countries and it is only when that performance is made more equal and more stable that the necessary external conditions will be present for the restoration of at least a theoretically open market in agricultural products.

Hence, Mr President, while we feel able to subscribe of the general thrust and spirit of this question, we are

unwilling to permit the creation of an automatic system of adjustment or a time-table for abolition of MCA's which is not responsive to external economic realities and tends to deprive Member States of a form of economic sovereignty essential to the pursuit of their programmes to combat inflation and unemployment.

(Applause)

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

Mrs Barbarella. — *(I)* Mr President, three quick points, the first being of a general nature. Other Members have already pointed out — but I feel I must do so as well — the fact that compensatory amounts need to be considered not only in their effects but also in terms of their basic origin, in other words the reasons why they exist. Monetary instability has been quoted as the primary fact at the origin of the creation of compensatory amounts. In my view sufficient emphasis has not been placed on the fact that monetary instability is, in its turn, the reflection of a general economic crisis affecting Europe — but not only Europe — in recent years and that therefore a solution (a lasting solution I mean) to the problem of compensatory amounts cannot be found outside the framework of this more general consideration, in other words the need not merely for monetary stability but for the economic recovery to make it possible. But what I would like to stress here with great emphasis is that it will not be possible to solve these problems if we do not reach more harmony in the economic policies in the Community of which I do not feel that any signs are visible today. Solving the question of compensatory amounts means solving the problems of the general economic crisis, in other words it means taking a different approach to the problems of regional policy (and not cutting the appropriations for such policies as was done a few days ago), giving teeth to new policies promoting development in certain areas and particularly in the southern parts of the Community, and thus tackling the problems of economic recovery for the whole of the Community in a more comprehensive fashion.

Having made this preliminary point I would like to make another on the distortions about which much has been said in this House. It is true that distortions have arisen, particularly at the level of trade. This is a fact and the Commission has been able to correct some aspects of the problem by modifying the calculation of the coefficients. But I feel that a question upstream of these distortions has not been tackled and that is the fact that the value of the green currencies rather than the compensatory amounts has brought about a differentiation in the cost of restructuring and modernizing agriculture particularly in the countries with strong economies. An extremely significant fact which I would like to quote is given in the Commis-

Barbarella

sion's last report on agro-monetary effects. In it, the Commission admits that the value of final agricultural production in the Member States in the years from 1974 till now has depended on their monetary situation.

My intention is not just to remind you of data; I merely wish to stress that there is a rising trend in the positive compensatory amounts countries — or the strong currency countries to be more explicit — and a level if not downward trend in the negative compensatory amounts countries. This means that the higher agricultural prices in the positive MCA countries, like Germany for example but also other countries, have stimulated and encouraged modernization processes as I said earlier, which have made continental agricultural systems, those in the north and those which were richer at the outset, more competitive by comparison with the others. I hope that we can also take the example of France which, for years, had a surplus in its trade balance. France is still today the leading exporting country for basic agricultural commodities but is increasingly becoming an importer of agro-manufactures, particularly from Germany, in other words from an agricultural system that has succeeded in restructuring itself at the manufacturing level clearly as a result of this differentiated situation that has developed in prices. Another point I would like to make is that although it may be true that compensatory amounts have had these undoubted distortional effects in the sense that I have tried to describe, but very briefly and roughly, in the weak currency countries, they have also had an anti-inflationary impact in the short term — which I must stress — and have therefore served to make up for inflation. But whereas this anti-inflationary effect has been of brief duration in the weak currency countries, the restructuring and modernization in other countries are longer-term and therefore more lasting processes.

I have made these three points in order to arrive at my conclusion. True enough, we too agree on the abolition of compensatory amounts although we feel this should be gradual, which is obvious because of a number of impacts and consequences that Commissioner Gundelach has himself pointed out. But I feel that what needs to be stressed above all is that the dismantling process has to be symmetrical and reciprocal and that the key to this process is to be found in the positive amounts, in other words those of the new price negotiations but solely in that of a more comprehensive revision of the Community agricultural policy.

Président. — I call Mr Delatte to speak on behalf of the Liberal and Democratic Group.

Mr Delatte. — (*F*) Mr President, a great deal has already been said about the compensatory amounts and it is a painful problem that has to be solved. The Liberal and Democratic Group would like to use its

few minutes to put this problem back into its real context.

The point is that it is not just a question of the — perfectly legitimate, of course — interests of a particular trade or a particular country. The issue is also that of building Europe to which compensatory amounts are a serious threat. I am not sure that we have properly assessed how important the risk is. The economic construction of Europe depends upon progress being made along two lines: the creation of a large, open and transparent market showing up performance, potential, costs, competitiveness, etc. and the harmonization of a number of national and in particular economic policies.

With your permission, I would say that, on these two points, the compensatory amounts to some extent represent failure at European level — a failure that we must reserve. For one thing they have brought about a relative renationalization of agricultural policies by compartmentalizing the big initial European market and thwarting the Community rule on competition. Unity of price, like that of market, has become an illusion.

The fact is that compensatory amounts represent an artificial incentive to develop agricultural production in certain regions to the detriment of others. They have even contributed, in the strong currency countries, to promote excess production that is today a charge on the EAGGF. It would even be right to say there have been veritable transfers of production. It is not fair to agricultural producers that the mechanism of true competition should be manipulated in this way. The system of compensatory amounts is also evidence of the considerable difficulties in harmonizing Member States' economic policies and Mr Gundelach has just reminded us that some countries including France had at one time asked for compensatory amounts to be introduced. It is true that, in exceptional situations, considerations of domestic policy — such as control of inflation or maintaining the level of farmers' incomes — may have prevailed, which is understandable. But for a system that has lost its precious neutrality to be made permanent and sometimes intensified is unacceptable.

The Liberal and Democratic Group points out two other distortions at the level of European construction. Firstly there is the cost problem. The compensatory amounts are a heavy burden on the EAGGF. In 1978, the figure was over 900 m u.a. I cannot give any figure for the non-quantifiable induced costs but they are certainly considerable. In addition, the compensatory amounts can easily throw economic calculations out, give rise to waste investment and act against the best use of resources. Nor do I forget the speculation that the system may generate.

Next there is the problem of allocating these costs. Do they have to appear in the accounts of the EAGGF, already wrongly accused on many counts? In

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my view, these costs arise from general economic or monetary policy. Here again, the common agricultural policy is the victim of trends for which it is not responsible. Agriculture is already sufficiently accused of costing too much whereas it is the only policy of any breadth we have.

The compensatory amounts must be abolished and the European monetary system, in my view, presents a highly effective way of doing so. It is clear, for example, that the recent revaluation of the Deutschmark must not generate any further compensatory amounts and I thank Mr Gundelach for stating, a moment ago, that there would be no increase in positive compensatory amounts.

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

Mr Lalor. — Mr President, the reason my group has put down this Oral Question with debate to the Commission is that we are still no closer to a final and lasting solution to the distortions and the inequalities which have emanated from the existence and continuation of the system of monetary compensatory amounts. Many attempts have been made to rectify the persistent distortions of competition caused by them, but these efforts have been inadequate and have failed to attack the kernel of the problem. As a result, MCAs are now what can be called a structural phenomenon rather than, as originally envisaged — and this was referred to here today — a temporary means of reducing the undesirable impact of monetary instability. Since the introduction of the European Monetary System, we have witnessed a greater degree of stability in exchange rates between the currencies participating in the system. The major exception, of course, is sterling, which has continued to fluctuate in recent months.

While the present may be relatively stable, the future is not blessed with optimistic forecasts. The recent oil crisis, with massive increases in the price of crude, is sparking off what could very well lead to an economic recession similar to that experienced some years ago. Linking these forecasts with the present weak state of the dollar and further threats by oil-producing States we may very well be heading for another period of monetary instability. Should that arise, the problems caused by monetary compensatory amounts will be aggravated once more. This is something that we cannot possibly allow.

Might I suggest, Mr President, that now is the time to stop. Now is the time to hammer out agreements on a lasting solution. The developments involving monetary devaluing and revaluing over the last few days have accentuated this requirement, despite what Mr Gundelach has said and the assurances he has given. The situation of high positive MCAs in Germany, and high negative MCAs in the UK and Italy cannot be tolerated any further. Courageous steps must be taken to eliminate these MCAs once and for all. We must eliminate the distortions of competition in the trade

in agricultural goods. We must cut out the artificial deflections of trade which have resulted from these distortions. We must bring back the natural situation of a free movement of goods, with trade moving from the areas of production to the areas of consumption. We must eliminate once and for all the artificial advantages which, in my country, led to the destruction of a significant section of the canned-meat industry. The Irish biscuit industry also nearly ended in bankruptcy. Such are the inequalities of MCAs that one Member State can acquire raw materials cheaply from another Member State, process them and export the finished goods back to the country of origin at a price cheaper than that of the raw material in that country. While some measures have been taken to alleviate these particular anomalies, they will nevertheless continue to create very serious problems while MCAs are allowed to continue.

Mr Gundelach has said that MCAs are a burden and a barrier to a proper system. I would therefore appeal to the Commission to bring forward new and courageous proposals to eliminate this scourge of EEC agricultural trade. I am sure that, as in the past, this Parliament will fully support the Commission in seeking a permanent solution. As regards the Council of Ministers, it is as well to recall that those Member States who are now clamouring about the excessive proportion of EEC spending on agriculture are the very same Member States who persist in abusing this artificial system of monetary compensatory amounts. It is time for those Member States to come clean and not only to act in a reasonable and logical manner but also to allow honest and responsible decisions to be taken.

President. — I call Mr John David Taylor.

Mr J. D. Taylor. — Mr President, honourable Members, it has been generally accepted today that monetary compensatory amounts distort agricultural trade between Member States. This is particularly so where we have two sovereign States in one island, and of course in my island, the island of Ireland, where for better or for worse — and in my opinion for worse — the southern part has separated itself from us and become a separate sovereign State, we do have special problems when we discuss MCAs. It is of course important in a divided island — not divided by the North but divided by the South — that we seek items of reconciliation and search out matters on which there can be agreement; and so, Mr President, I am delighted to see that this Oral Question today is raised by a member from the southern part of Ireland, Mr Lalor.

Northern Ireland's main agricultural exports are to the rest of the United Kingdom, Great Britain, and monetary compensatory amounts are a means of subsidizing Southern Irish agricultural exports to Northern Ireland's traditional market in Great Britain. This creates unfair competition for Northern Ireland's agriculture. It has been damaging to our farmers and to our industry. It arose, of course, because the Southern

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Irish until recently had the same currency as ourselves in Northern Ireland, the pound sterling, and because they then devalued their green pound more than we did in the United Kingdom, thus creating unfair competition for Northern Ireland. Likewise, MCA's encouraged Southern Irish buyers to visit Northern Ireland to buy our cattle and pigs for slaughter in Southern Irish deadmeat plants and then export them to Great Britain, subsidized once again by MCAs. This created instability and unemployment in Northern Ireland's dead-meat plants. To overcome this serious threat to the Northern Ireland livestock industry, both the Socialist and the Conservative governments at Westminster have provided a temporary scheme called the meat industry employment subsidy (MIES) scheme, and this provides additional financial support to dead-meat plants in Northern Ireland in order to safeguard Northern Ireland workers and employment from the damaging effects of these monetary compensatory amounts. This MIES scheme is promoted by the Northern Ireland Ministry of Agriculture in cooperation with the Ulster Farmers' Union; but it is temporary, and accordingly the sooner the MCAs are brought to an end the better it will be for Northern Ireland agriculture, in that we shall no longer have unfair competition from the South of Ireland on our main markets in Great Britain, and our dead-meat plants and livestock industry in Ulster will no longer have to survive upon the doubts and imponderables of temporary schemes such as the MIES.

It is therefore with some enthusiasm, Mr President, that I support the oral question put down in the name of Mr Lalor, from the South of Ireland, and others, and call for a rapid decrease in monetary compensatory amounts so as eventually to put an end to this scheme, which has distorted the agricultural trade in our island.

President. — I call Mr Seal.

Mr Seal. — Mr President, I listened very carefully to the Commissioner's statement on this particular question, and whilst Mr Gundelach talked all round the question he certainly gave me no specific answers to this particular question. However, he did state, and stated quite clearly, that monetary compensatory amounts are necessary to offset currency fluctuations. This was also accepted by Comrade Sutra when he spoke.

The first British speaker from the European Democratic Group blurred the issues. I wasn't sure after he had finished speaking whether he was for or against MCAs, but I think this fairly reflects the position of his own national party.

Now, whatever is said, currencies are still fluctuating, currencies are still being revalued and devalued — this in spite of the exaggerated claims which were made for the European Monetary System — and there will continue to be fluctuations in currencies. After listening to the Commissioner, we can all accept that

there will not only continue to be fluctuations but there will be many varying opinions about the effects of abolishing MCAs, and the Commissioner did at least admit that it was a very complicated system. The opinion of the British Labour group is that abolition of the MCAs will be detrimental to the British consumer. At the moment, I understand, we are talking about something like 8 % because of the rate of change in the pound, so that abolition at this moment would increase food prices to the British consumer by something up to 4 %. This would be on top of the already immense increase in prices that the British consumer has suffered over the last two years and on top of the 2 1/2 % increase in prices that was caused by Peter Walker's devaluation of the green pound. The British consumer cannot tolerate and will not tolerate yet another rise in food prices.

There is also, I understand, a problem caused by the continued rise in the value of the German mark. This is something which concerns our German colleagues, and perhaps the Commissioner would be good enough to tell us how he intends to solve that difficult problem.

Now it seems to me and it seems to the British Labour group that a common price policy through Europe is neither desirable nor necessary, even though I will admit that MCAs are used by the Commission to try and blur the amount of Britain's contribution to the EEC Budget. The Commission must show the effects of removing monetary compensatory amounts on both the producers and the consumers of all Member States, and in spite of the emergency resolution that has been put down there must then be full discussion in the Committee on Agriculture and in this Parliament before they are removed.

President. — I call Mr Turner.

Mr Turner. — Mr President, I must say I am very impressed by the unanimity of the House. I think it is just as impressive that the Socialists, other than my friend who has just spoken, the Communists, the European People's Party and ourselves all agree, as it is that our friends from Northern and Southern Ireland also agree with each other. I hope it gives the Commission courage to be bold in this matter. By removing market forces, the MCAs encourage currency fluctuations. That, I think, is one of the chief troubles that they have caused us. They were instituted originally solely as an accounting convenience, but in the last few years, particularly in Great Britain, they have become a monster which has bedevilled agriculture. Now they are on the wane, we should take the opportunity of abolishing them altogether. So I very much support this proposal. I think that all our countries should face the consequences of currencies and not try and shelter from the reality of their economies behind barricades such as MCAs and other devices.

(Applause)

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — (*F*) Mr President, ladies and gentlemen, in the way they have been applied, the MCAs have led to a slow decay in Community trade, often enriching the wealthiest agricultural economies at the expense of the poorest. Their abolition is essential because otherwise agricultural regional inequalities and the various forms of agricultural speculation involved will worsen.

This is not a subject that can be dealt with cursorily and in haste. It wants treating at the roots, with the requisite monetary equity and concern to see that the sectors that suffer most from the system are compensated. This year, French pig producers made manifest their reaction to so unjust a law. They had paid a cruel price for these MCAs whose principle some Members are defending in this House.

They do benefit some Community countries of course — whilst others see their production resources brought to near-ruin as, for example, pig producers; and these MCAs are one illustration of what appear as negative aspects in the functioning of the Community. Can we go on with these negative aspects. The way in which this subject is approached, handled and settled will be a kind of test of the way the Assembly intends to work. In spite of the revisions and reforms that have been applied, the current MCA system is badly tarnished by the inequalities it fosters and the economic effects it produces. Our farmers cannot continue to be the victims of every kind of speculation — other Members have said this before me — or the money-making deals that inevitably follow.

We therefore ask for the immediate dismantling of these MCAs and here I speak on behalf of the Communist and Allies Group. We say clearly what we mean — not like some who take refuge in extremes of ambiguity and reply Normandy-style 'maybe, maybe not'. That is not our style. I would also recall that after the summit meeting where it was decided to set up the European Monetary System, Mr Giscard d'Estaing said that this would mean the end of this unfair system. But that has not happened. The blatant truth is that the European Monetary System exists but that does not stop the Deutschmark from being revalued by comparison with the franc, weakening our currency in relation to that of West Germany.

French farmers are the victims. I think there is no argument about that. On behalf of those farmers we cannot accept anything less than the immediate abolition of the MCAs.

President. — I call Mr Gundelach.

Mr Gundelach, *Vice-President of the Commission.* — (*DK*) Mr President, I would like to thank those who have taken part in the debate for their comments and will confine myself to a few supplementary

remarks, as I feel that the debate as a whole has — not without exception, but as a whole — shown that Parliament supports the Commission's view that an effort must be made to abolish MCAs in view of the fact that, they carry the risk of distortions of trade and impose a financial burden on the Community. Perhaps I might add here that I did not make any comments on who benefited from this arrangement and who suffered from it but only stated that anyone can find out by looking at the budget that it entails considerable expenditure and, where negative MCAs are concerned, sums which of course greatly benefit consumers in the countries with negative MCAs. This was presumably one of the reasons why reservations were expressed by certain Socialist representatives at the phasing out of this system. However, when one of the cornerstones of the Community is the free movement of goods, including agricultural products, then it must be our duty to uphold this principle and prevent it from being undermined by the permanent use of compensatory mechanisms which — as I said earlier — entail levying charges on, or granting support for, agricultural products when they cross frontiers within the Community. This inevitably conflicts with the main tenets of the common agricultural policy. I therefore feel that it is only sound and reasonable that the overwhelming majority in Parliament should support a policy aimed at eliminating MCAs as swiftly as possible.

Where opinions have differed has been with regard to the method and, perhaps also for that reason, the pace of abolition. Before we move on to this, just a few comments about the root of the evil. Reference has been made to the different levels of economic development in the member countries and the need for convergent economic development; on this point I can only agree. The persistence of major differences in the level of development in the individual Member States or perhaps, more accurately, in the individual regions in the Member States, is attributable neither to Community policy nor to the common agricultural policy. However, it must, of course, be recognized that, in a number of areas, Community policy has not yet been developed to the point at which it can make an effective contribution to levelling out these disparities. Action to level out these disparities — in other words, the policy of convergence — is one of the elements which, together with a better coordination of economic policy, are essential requirements if the new monetary system is to be able to function as intended. Furthermore, greater stability between currency exchange rates is, in turn, an essential preliminary if the primary objective, on which we are apparently broadly agreed in this debate, i.e., the elimination of MCAs, is finally and definitely to be attained.

I do not believe in the argument that the developments affecting exchange rates have led to a transfer of resources from the richer to the poorer regions, as

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claimed by one of the honourable Members. I believe that would be putting the cart before the horse. Currencies gain in strength because one country's economy has become stronger and they depreciate because another country's economy has become weaker. The underlying economic conditions, the levelling out of regional disparities and better coordination of economic policy are, therefore, the means of eliminating these fundamental causes of the dilemma preoccupying us. Nor, in my view, does the proposal by Mrs Barbarella that the common agricultural policy should be changed have any bearing on this matter, as the difficulties caused by MCAs were not produced by the common agricultural policy but were imposed on it by the lack of coordination and the lack of a common policy in the economic and monetary field. It is therefore the efforts that have been set in train within the Community to achieve an improved policy of economic coordination, an improved policy of economic solidarity and, it is hoped, an improved regional policy and also, on the basis of all these measures, an improved monetary policy that are intended to create the basis for removing the burden that MCAs represent for the common agricultural policy.

As long as this basis has not been established, it is unrealistic to believe that MCAs will disappear overnight. Neither can this be achieved by adopting resolutions. It can be accomplished only as long as progress is being made in the economic and monetary field within the broad framework of the agricultural policy and by the application of a pricing policy.

I have been asked to spell out the precise method to be used. The objective is to be achieved by ensuring, as indicated in Council resolutions and declarations and, indirectly, in the statements by the Heads of Government last December, that the price increases in units of account which are inevitable in the coming years are devoted mainly to phasing out positive MCAs. Negative MCAs will, of course, as we have seen in recent years after the various price adjustments, gradually be automatically eliminated. I therefore feel that — provided we can look forward to a relative improvement in exchange-rate stability and a general improvement in the level of attention given to regional problems — we can solve the problem of MCAs within the framework of a sensible pricing policy.

It is essential that this be done in the context of pricing policy because, on the one hand — as I said earlier — account must be taken of the need to avoid any fall in producer prices when expressed in national currencies. This is — as we all know — unacceptable. We must, on the other hand, ensure that we do not embark on a policy of price increases that is out of keeping with real market conditions. This is not the kind of question that can be answered by saying that

it will take exactly 18 months. The answer is that within the given framework we can phase out MCAs over a reasonable period but only by careful reconciliation of all the main elements making up the common agricultural policy.

Allow me to answer a few specific points. The existence of substantial intervention stocks in West Germany is not related solely to the development of production in West Germany nor to the system of MCAs. It is related to the fact that producers wish to keep their stocks in a country with a strong currency. This tendency would be weakened by a greater degree of currency stability and will not disappear as long as there is a risk of major currency fluctuations.

Mr Curry, from the European Democratic Group, said that equal conditions must be created for producers in the Community, because this affords the only basis for the kind of a specialization that is in the interest of both producers and consumers, a problem with which he doubted that very many other people were concerned. I can, however, put his mind at rest on this point by saying that this is a matter of considerable concern to the Commission and that I believe that the Council is also aware that the future of our agricultural industry lies in an increasing degree of specialization. On this point I fully agree with him. However, if we are to take that path it is not possible, at the same time, to stress the principle of national sovereignty as strongly as he did. On the one hand, we must have equal conditions and we must eliminate the price differences due to MCAs; but, on the other hand, each individual country must nevertheless at all times have the right to do what it wants. Mr Curry, contradictions can readily arise between these two principles. I well understand your line of thought with regard to the decisions to devalue national currencies. On each occasion this entails difficult negotiations between the Commission and the Council, but I believe that emphasis on the principle of sovereignty can be taken to the point where it conflicts with the desire to maintain a cohesive and free agricultural market, which is, in turn, a fundamental requirement if your first main objective is to be attained, i.e., continuing specialization, which is the direction the common agricultural policy as a whole must take.

Mr President, I would like to close by repeating that I am in agreement with the main drift of the debate that has been held here, and I believe I have made this clear in my comments. The Commission will work to pursue the ends indicated. I have been asked to be courageous. I have been so on several previous occasions without any great political backing, but I do not intend to be so courageous as to disregard legitimate consumer or producer interests in any particular country. The various elements must be reconciled, as I pointed out. However, I am also convinced that, even with this need to reconcile conflicting claims, it will be possible — provided we are not confronted with a

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major new economic crisis where resolutions will in any case be of little use as we shall all be in grave difficulties — to find a solution to this problem within a reasonable period. I repeat that this year we have already made — and this cannot be denied — quite substantial progress by comparison with preceding years. It requires a deal of courage to say that nothing has happened when the difference between the highest and lowest prices has narrowed from 44 % to 16 %.

President. — I call Mr Buchou.

Mr Buchou. — (*F*) Mr President, we — like many in this House — have greatly appreciated President Gundelach's speech. It was also our definite impression that his intentions, like those of the Commission as a whole, were perfectly creditable and we noted that he agreed with many of the comments that were made. It was a good thing to bring out the difficulties and complex nature of the problem but in spite of its complexity it has to be solved and, on that score, the Commission's proposals cannot satisfy us. Put briefly, the solution to this question may be said to consist either in monetary adjustments allowing monetary fluctuations to be absorbed without affecting agricultural trade, although we realize that his kind of measure may perhaps be beyond the powers of the Commission, or else in increasing agricultural prices sufficiently to allow for the effects of monetary fluctuations to be cushioned — or in a combination of the two. But neither solution is to be found in the proposals made to us. In other words the present situation could well — as we very much fear — persist without any foreseeable end in the short-term. Given the seriousness and gravity of this state of affairs our Group requests that a report by the responsible committee be submitted for consideration by this House, if possible by the next part-session.

(*Applause*)

President. — I have received from Mrs De March, Mrs Le Roux, Mrs Poirier, Mr Pranchère, Mr Damette, Mr Frischmann, Mr Martin, Mr Ansart, Mr Wurtz and Mr Gremetz a motion for a resolution (Doc. 1-337/79), with request for an early vote pursuant to Rule 47 (5) of the Rules of Procedure, to wind up this debate.

I shall consult the House on this request at the beginning of tomorrow's sitting.

The debate is closed.

5. Membership of committees

President. — I have received from the Socialist Group, the Group of the European People's Party (C-D Group), the Group of European Progressive Democrats, the Communist and Allies Group and the Liberal and Democratic Group requests for the appointment of Members to the following committees:

Political Affairs Committee:

Mr Antoniozzi, to replace Mr Piccoli;

Legal Affairs Committee:

Mr Modiano;

Committee on Energy and Research:

Mr Veronesi;

Committee on Transport:

Mr Schnitker, to replace Mr Katzer;

Committee on the Environment, Public Health and Consumer Protection:

Mr Zaccagnini;

Mrs Scrivener, to replace Mr Bangemann;

Committee on Youth, Culture, Education, Information and Sport:

Mr Piccoli, to replace Mr Antoniozzi;

Miss Roberts;

Committee on Budgetary Control:

Mr Antoniozzi, to replace Mr Giummarra;

Committee on the Rules of Procedure and Petitions:

Mr Jaquet, to replace Mrs Cresson;

Mrs Gaiotti de Biase, to replace Mr Antoniozzi;

Mr Verroken, to replace Mr Pfennig;

Lady Ellis, to replace Mr Prout;

Mr Vanderpoorten, to replace Mr Bangemann.

Are there any objections?

These appointments are ratified.

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

The House will rise.

(*The sitting was suspended at 1 p. m. and resumed at 3.05 p. m.*)

IN THE CHAIR: MRS VEIL

President

President. — The sitting is resumed.

6. Question-time

President. — The next item is *Question-time* (Doc. 1-314/79). We begin with questions addressed to the Commission.

Question No 1, by Mr Normanton:

What are the President's engagements for the next three months?

Mr Jenkins, President of the Commission. — In addition to my responsibilities to this House and my attendance at meetings of the Council of Ministers and the European Council, I shall be carrying out a wide range of official engagements, both within the Community and outside it. While I do not intend to publish a list of my engagements, which change within a three-month period, I would be pleased to

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deal with any specific point which the honourable Member may have in mind in respect of a particular engagement.

Mr Normanton. — I am grateful for that answer, which discloses the heavy burden in general of the engagements of the President of the Commission, and I am sure the House will join with me in wishing him well, indeed wishing every success. But would he not agree that despite all his enormous energies and exertions, the Community will simply not succeed in grappling effectively with the rising tide of international political problems — terrorism, oppression, energy and monetary chaos are a few examples — until there is a substantial change in the decision-taking process in the Council of Ministers and the European Council? Until that time, will not the Community continue on the world stage as a political pygmy dominated by two great giants, whereas we are, in the commercial sense, recognized as a giant in our own right?

Mr Jenkins. — I recognize — and the Commission has always taken this view — that improved decision-making processes, in the Council of Ministers in particular, are highly desirable. We do nonetheless manage to make progress from time to time; decisions are taken, not always as quickly or as effectively as we would wish, but decisions are taken. Some of the wide issues which the honourable Member has raised are matters of clear Community competence, others a little less clearly so. So far as his concluding remarks are concerned, I would not regard the Community as a pygmy, though I think he is right in saying that in purely economic matters, for instance the multinational trade negotiations, we have a bigger world rôle than in some other areas. My conviction certainly is that Europe makes itself heard when it speaks with one voice, and it is the desire of the Commission that that should be so so far as is humanly possible.

Mrs Ewing. — Now that this question has introduced the Westminster game of questions into this House and I think that may well be regrettable, could I ask the President of the Commission whether he will be available to sectoral delegations such as that from the hill-farming beef sector in my area within the next three months? Will he be available to delegations if they give him ample notice within a three-month period, and when a Member State's policy seems not to be assisting a sectoral interest such as the hill-farming beef sector in Scotland, will he have time to meet the appropriate authorities in the United Kingdom and tell them that it is time they decided that their policy should keep in step with Mr Gundelach's policy? If they did that, the hill farmers might not even have to take up his time and send him a delegation.

Mr Jenkins. — On the first part of the question by the honourable lady, I would like to say, if I may be permitted right at the beginning of this first hour of

Question time, that while the honourable Member Mr Normanton was kind enough to give me advance notice as to which direction his supplementary might go in, a question which could open up 200 supplementaries ...

Mrs Ewing. — Point of order. Notice was given, Mr Commissioner, to your own staff by myself. I think that is most unfair, in that I particularly gave notice to a gentleman sitting behind you.

Mr Jenkins. — The point of order, which I am sure, Madam President, you will take note of, does not affect the gist of my reply, which is that ...

Mrs Ewing. — You accused me of not giving you notice.

Mr Jenkins. — No, I did not for one second. I do beg my honourable friend to be calm for one moment. What I said was that the honourable Member who put the question down did give me notice of the direction of his supplementary, but there is a little difficulty with questions so wide that they could easily open up two or three hundred supplementaries. Because it does mean — and this might have disadvantages for the Parliament as well as for the Commissioner replying — that the Commissioner would not be as well briefed on the particular question as he would wish to be in order to give Parliament full information on any supplementary questions. However, that is a matter for the Parliament.

So far as the substance of the honourable lady's question is concerned, I will endeavour to be reasonably open, so far as is compatible with other calls upon my time, to deputations which represent general points of interest. But she will not forget that I have twelve colleagues in the Commission, and I do not propose to usurp their functions. I will, however, of course be in touch with the heads of all the governments of Member States, and will bear in mind important issues of the sort she has raised and many others.

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

Mr Seal. — Madam President, surely if the kind of answer that Mr Jenkins has just given is going to be accepted or is going to be typical of the Commission, then there is no point at all in this Parliament being able to ask supplementary questions.

(Applause from certain quarters)

Mr Jackson. — I have given notice of this question. In view of the Community's responsibilities in the external field, will the President of the Commission be visiting Rome airport to represent to the Italian authorities the very strong feelings felt by public opinion in Europe about the way in which the callous application of legal technicalities has led to the death, the unnecessary death, of a large number of wild animals imported from South Africa?

(Exclamations)

Mr Jenkins. — The Commission is, of course, aware of this issue and recognizes the great attention which is naturally given to it by many people, but I do not think that a visit to Rome airport on my part would be particularly useful from this point of view.

I must apologize to the honourable Member who made an intervention earlier. I think there must have been some misunderstanding on his part or on my part, because I did not follow the sense in which he suggested that supplementary questions would not be useful. I am very much in favour of them, as he certainly knows, and am very much used to supplementary questions in another chamber, and there should in my view be no question of notice having to be given of supplementary questions.

(Applause)

That is very far from my thought indeed. Where my thought does lie is that if a question is asked which relates to every possible aspect of Community policy over the next three months, it is not possible to be as well briefed as I would wish, but where the supplementary question follows in any way from the question, then of course it is essential to the nature of a working parliament that the person answering the question, the Minister or the Commissioner, should be expected to respond to questions which come spontaneously, and if I gave any other impression that is totally false.

President. — I call Mrs Ewing on a point of order.

Mrs Ewing. — I find myself in a difficulty at the beginning of a very important Question Time, because the President of the Commission complimented my colleague Mr Normanton, who is a skilled questioner, and I made the point that he had introduced Westminster-style politics by putting a general, blanket question on what he would be doing for three months. In Westminster, this is the way in which we ask about any subject. Knowing this and as it was the first question on the agenda, I had the courtesy to go to the Commission and say in advance what my supplementary would be. Now, apparently, Mr Jenkins has knocked me down, but he complimented Mr Normanton on opening up a new type of question in this forum, and I would ask you all to beware of this type of question. It is a smart-alec question and it almost gives rise to a need for notice, because, as Mr Jenkins said himself, how can he possibly be prepared on all manner of subjects? I would ask you to beware of this type of question.

(Protests)

Mr Scott-Hopkins. — Madam President, let us not bring in the bickering of Westminster into this Chamber; that is far from what we wish to do.

(Mixed reactions)

Is the President of the Commission aware that at the moment the European Institutions do not stand in

very high regard, not only in my country but in other countries as well, and can he say what he himself will be doing to try to explain the point of what the Community is doing — the good points as well as the bad points — throughout not only my country but other countries of the Community as well and to correct this erroneous position which has been taken up by a lot of people, not only in the media but elsewhere, that the Community is only a drag and costs money? This is something which we really must counter to the greatest extent we can.

Mr Jenkins. — There are two parts to that supplementary question: the first is what is the position and the second is what am I doing about it.

So far as the position is concerned, I think — and I suspect this may command the agreement of the honourable Member—it is important to strike a balance between recognizing the achievements of the Community, which are considerable, and recognizing that there are a lot of problems ahead of us which, if the Community is to be effective, we must solve. It is very important not to be either in a slough of dismay and despair or to be complacent. It is quite a difficult balance to strike, but let us not be too dismayed, let us not think that the Community is too much of a stagnant affair. In 1979 alone, we have got the EMS in place, we have got this new Parliament elected, we have concluded agreements with one new Member State anxious to underpin its democracy by coming in and are negotiating with two others. This is certainly not the position of a stagnant Community. At the same time, there are a lot of problems ahead which, if not solved, will be gravely damaging to the future of the Community.

What do I do about it? I endeavour, so far as is compatible with my other commitments, to present a balanced point of view throughout the Community. I think I made about 40 speeches of one sort or another — inevitably, for linguistic as well as for other reasons, they were slightly more in the United Kingdom than elsewhere, but nonetheless, in the run-up to direct elections, I had the opportunity of making speeches and appearances in, I think, all the Member States of the Community. That I shall endeavour to continue: presenting this balanced view—on the one hand no despair, on the other no complacency.

(Applause from certain quarters)

President. — Since there are many other questions to be dealt with and the answer just given by the Commission appears to me to have covered the problem, we shall now proceed to the next question.

President

I call Mr de la Malène on a point of order.

Mr de la Malène. — (F) Madame President. I am a little disappointed to see that the first Question Time in this Parliament should have begun the way it has.

Rule 47A of the Rules of Procedure and the Guidelines for the conduct of Question Time provide that 'questions shall be admissible only if they are concise and are drafted so as to permit a brief answer to be given' and 'are clearly worded and relate to specific matters'.

The question raised is neither clear nor concise and does not refer to any specific matter. This is clearly borne out by what happened afterwards because some highly interesting but fundamentally different subjects have been addressed ranging from animals at an airport to the engagements of the President of the Commission and the responsibilities of that Commission. There is therefore a breach of the Rules of Procedure at the expense of those Members wishing — with every right — to put supplementary questions.

I would ask you, Madam President, kindly to ensure that the Rules of Procedure are observed on this point in the future.

President. — Question No 2, by Mr Poncelet :

Subject : Threats to the textile industry in Europe

The failure to respect quota agreements on the principal textile products, together with illegal or even fraudulent practices both within and outside the Community, is extremely prejudicial to the Community textile industry and jeopardizes activities in many regions.

What steps does the Commission intend to take to remedy the situation ?

Mr Davignon, Member of the Commission. — (F) The first point in Mr Poncelet's question relates to the judgment to be passed on the way the Community's textile import policy was applied in 1978. My answer is that the overall ceilings set by the most sensitive products, i.e. 60 % imports, have not been exceeded. In very many cases, imports have even been lower than this ceiling.

Secondly, as in every system, there have, it is true, been illegal practices. An astute salesman will try to have a product classified in a less sensitive category so as to be able to sell it more easily. To cover this, we have developed a system in the Community which allows us to make corrections to the classification very rapidly.

Lastly, as has to be expected, some of the things done are simply fraudulent. Here the trick is to represent as imports from one country goods which come in fact from another. This made us institute a certificate of origin system to counter these moves.

In general, whenever we discovered, inside or outside the Community, a breach of the decision that we had taken — our responsibility being to ensure that the

system is run properly — we acted quickly and effectively in liaison with the Member States throughout the first year the policy was in force. In 1979 we have been stricter still.

Mr Poncelet. — (F) I would like to thank Mr Davignon very sincerely for the objective manner in which he has given me the information I sought.

He was good enough to admit that there had been 'astute salesmen' able to introduce into Community territory a higher quota of textile products than that laid down in the agreements. In this connection, I would like to remind the House that extra-Community imports in the textile and clothing industry were 7 % higher in 1978 than in 1977.

This is an extremely important problem when it is remembered that the textile and clothing industry accounts for 7 % of employment in Europe and that unemployment is very serious in the industry.

In these conditions, would it not be better to drop the quota system which is always difficult to enforce and instead — and here I am thinking mainly about imports from low-wage countries — impose levies, the purpose of which — as in agriculture — would be to tax the importation of products that are often of low quality — but low priced — and would in that way help to strengthen the Community's industry ?

What is the Commission's answer to this suggestion on the understanding that a very strict watch has to be kept on these 'uncontrolled' imports that are so harmful to the whole of Europe ?

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

Mr Fellermaier. — (D) Madam President, perhaps Mr de la Malène who addressed so passionate an appeal to you to the effect that question time should consist of short questions and short answers should begin by teaching the lesson to this own Group because what Mr Poncelet has just done is the opposite of Question Time and will lead us precisely to what Mr de la Malène wanted to avoid — namely, that other Members would in the end be obliged to put up with a written answer to their questions. If in this House we allow Question Time to become storytelling time, then the word 'Question Time' deserves a new definition that would first have to be included in Brockhaus or some other dictionary.

(Applause and laughter)

Mr Davignon. — (F) The whole of the Community's textile policy falls into the framework of an international agreement, the Multifibre Agreement, which was initiated and negotiated by the Community and which provides very precise rules over a period of five years. I therefore have to tell Mr Poncelet that, having taken the initiative of setting up a system aimed at

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regulating textile trade (in terms of quantities and by country) over a period of five years, the Community cannot take the liberty of altering it because of the international undertakings it has entered into.

On the other hand, it has to be strictly enforced. I think it is important, when figures are quoted, to stress that for a series of sensitive products, not only have the quotas not been exceeded but they have not even been reached. Here are two relevant illustrations. Only 30 % of the quota of shirts have been imported into Italy and only 45 % of the quota of T-shirts have been imported into France.

I therefore feel that we are on the right road in running the agreement in which both industry and governments are involved. This stability at the level of foreign trade allows us to go forward with the Community's higher-level policy which is to reorganize the textile industry and to strengthen the weaker sectors like clothing which has already made substantial recovery in 1979.

Mrs Kellett-Bowman. — Does the Commissioner not agree that it is the growth of practices within the MFA beyond what was envisaged in the MFA that is now causing a threat? Would he not agree that one of the defects of the textile agreement and the MFA lies in the growth of outward processing, which is giving a great deal of anxiety in the textile industry, and another in the absence of a binding international agreement on definition of the point of origin, which is not only causing very considerable anxiety in the textile industry but also much unemployment?

(Applause from the European Democratic Group)

Mr Davignon. — *(F)* If the Community's textile industry wants to develop part of its activities, it must, for certain aspects, accept cooperation with countries outside, which implies outward processing.

What is more, we have our own definitions of origin, which is negotiated bilaterally with the different countries or applied independently if we are not satisfied with the bilateral discussions.

President. — Question No 3, by Miss Quin :

Subject: Implementation of the directive on the inspection of meat and meat products

What are the results of the Commission's investigations into the qualifications of non-veterinary personnel involved in food hygiene control in premises used for the manufacture of meat products?

Mr Gundelach, Vice-President of the Commission. — *(DK)* The honourable Member's question concerns the investigation that has been started into the qualifications required of staff in order to ensure compliance with sanitary conditions in the meat industry. The investigation has not been completed but has so far disclosed that a veterinary training is required in eight Member States while the United Kingdom employs different personnel who do not have veterinary qualifi-

cations but who have received another kind of training and are known as public environmental health officers. The latter are undoubtedly qualified to participate in the inspection procedure, but the question is whether the final responsibility for issuing certificates attesting that the conditions have been met ought not to lie with personnel that have received a veterinary training. The Commission is endeavouring to find a solution which will not necessarily be uniform in all procedural respects but which will have uniform effects. We should otherwise be failing to meet the conditions laid down in the rules for the benefit of consumers.

Miss Quin. — I raised this question because there has already been far too great a delay in bringing this investigation to a conclusion, and many people including some in my own constituency, have been anxious about the outcome, because the matter affects their jobs and their livelihood. Can the Commission give an assurance that the interests of those people who have traditionally undertaken these tasks in Member States will be safeguarded, particularly since these people are felt to be the competent authority in the States concerned?

Mr Gundelach, Vice-President of the Commission. — *(DK)* It will have been apparent from my first answer the interests of the personnel concerned in the United Kingdom will also be safeguarded. My answer made no mention of excluding them from the inspection processes that are necessary. At the same time, we must also ensure that all stages of the inspection procedure are such that they take account not only of the personnel's interests but also of those of the consumer. Those Members who were kind enough to applaud the honourable Member are normally those in this Assembly who are most active in their support for consumer interests.

Mr Patterson. — Is the Commissioner aware of the extreme disquiet among environmental health officers in the United Kingdom about the scope of this enquiry? Can I have an assurance that this enquiry is not only going to investigate the qualifications of environmental health officers as such, but will also make comparisons between those who do the same jobs in different countries? I refer in particular to those tasks mentioned in the Council Directive of 26 June 1964, Annex — I-Chapter 2 on inspection of cutting plants, Chapter 5 on cutting, Chapter 8 on health marking and Chapter 10 on transport. In the United Kingdom all these are exclusively done by environmental health officers. Is he going to investigate those who do similar jobs in other Community countries?

Mr Gundelach. — *(DK)* It was clear from my first answer that the investigation covers not only the personnel that monitors compliance with the rules concerned in the United Kingdom but also the arrangements in all the Member States with the aim of

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attaining, not necessarily uniform procedures and staff with absolutely identical qualifications but a uniform result, the quality of which can be relied upon to be correct and properly certified in each individual Member State.

Mr Turner. — Is the Commissioner aware that veterinary personnel on the Continent differ from each other in their qualifications and job specifications more than they differ from health inspectors in Britain in these regards? This is very strongly felt by the British health inspectors, and they want to make sure that that matter is properly looked into.

Mr Gundelach. — (DK) It is quite true that the qualifications and training criteria for veterinary personnel also differ between the various Member States. It was precisely for this reason that I said in my previous answer that it was essential to investigate the qualifications of the personnel carrying out inspections in all Member States not in order to achieve uniformity in the matter of official titles but to ensure that the result of their work is of a uniform standard and satisfactory to the consumer.

President. — Question No 4, by Mr Nyborg :

Subject: Identity checks at the Community's internal frontiers

Does the Commission think that the tighter and in some cases systematic identity controls imposed by certain Member States on persons entering and leaving the country are consistent with agreements to confine controls at the Community's internal frontiers to spot-checks? Has the Commission protested to the Member States about the long queues of tourist vehicles at some frontier crossing-points this summer, and what does it think can be done in the longer term to prevent tighter identity controls from nullifying the progress made in the control of goods taken into or out of the country by travellers?

Mr Davignon, Member of the Commission. — (F) Mr Nyborg's question raises two different problems. The first relates to the formalities that a country may require to be fulfilled in the context of goods and the free circulation of persons to which specific regulations apply. Clearly, in this context, the Commission keeps careful watch that the controls exercised by the different countries comply strictly with these regulations.

Secondly, there are the police controls at inland frontiers which are exclusively the responsibility of the authorities of our Member States. This was, incidentally, confirmed by the Council in its reply to Parliament on 18 April 1978 when the point was made that this was a question lying solely within the competence of the Council.

Mr Nyborg. — (DK) Mr Davignon, do you agree that the Commission — and I speak for Parliament

— has for several years done everything in its power to ensure as great a freedom of movement as possible for Community citizens and that this does or could help to strengthen the general public's awareness of being part of a community. Is it not therefore unfortunate that, particularly during the tourist season, systematic checks should be carried out without making full use of the available facilities? On reaching the checkpoint after having queued for half-an-hour, it is to find that only one position is open even though there are three available.

Mr Davignon. — (F) As to objective, the Commission entirely shares Mr Nyborg's feelings and, wishing to further strengthen its possibilities at the practical level, it has already put a new proposal to the Council regarding the right to stay in a country. It will continue to ensure that there is a legal basis keeping Member States' formalities to the minimum so as not to bring to nought in our day-to-day existence what is the result of long and necessary effort to demonstrate the reality of the Community.

President. — Question No 5, by Mr Fergusson :

Subject: Dumping of mechanical alarm-clocks manufactured in Eastern Europe

Will the Commission take the necessary anti-dumping measures to protect those undertakings (such as Westclox in the United Kingdom) currently threatened by large-scale imports of low-priced mechanical alarm-clocks manufactured in Eastern Europe?

Mr Haferkamp, Vice-President of the Commission. — (D) On 24 August this year, the Commission announced in the Official Gazette that it had initiated the dumping and subsidy procedure regarding imports of mechanical alarm clocks and clocks with alarm mechanisms into the Community from China, Hong-kong, the German Democratic Republic, Czechoslovakia and the Soviet Union. If the enquiries that have been launched show that the industry concerned in the Community has been harmed by these dumping and subsidizing practices, the Commission will set in motion the protective measures for which provision is made in Regulation 459/68.

Mr Fergusson. — I was most grateful to learn that the application first set in motion by Westclox in January 1978, 20 months ago, has at last been accepted. Is the Commissioner aware that this firm in Scotland, which is the largest manufacturer and exporter of mechanical alarm-clocks in the United Kingdom, is now reduced to working a 4-day week, in large part because of the trading problems caused by dumping from the East? If there have been no objections lodged within the statutory period, as I understand is the case, will he please do all he can to bring this business to a conclusion and so help this essential Community industry, and can he say how long this may take?

Mr Haferkamp. — (*D*) In this procedure, there is a phase in which investigations have to be carried out under the Community's own rules and the international rules of the GATT and during which facts have to be established at exporters, importers and also producers in the Community. If the investigation should go on too long and present certain risks, then the Regulation I have referred to provides that temporary protective measures may be introduced. If it transpires that this kind of action is necessary then the Commission will avail itself of this possibility.

President. — Since they are on the same subject, two questions can be taken together :

— Question No 6, by Mr R. Jackson :

Subject : Oak-wilt

In view of the devastation caused by Dutch elm-disease, what action does the Commission propose to take to protect the Community from the risk of oak-wilt disease, which may be carried by imported timber ?

— Question No 23, by Lord O'Hagan :

Subject : Oak-wilt

What steps has the Commission taken in order to prevent the introduction of oak-wilt into the European Community ?

Mr Gundelach, Vice-President of the Commission.

— (*DK*) The existing directive on plant disease lays down a number of phyto-sanitary requirements that must be met when plants and plant products are transported between the Member States or imported from third countries. The Commission has for some time been of the view that these rules relating to the disease referred to by the two honourable Members — namely, oak-wilt — are not sufficiently clear-cut and effective in the present circumstances. The Commission has therefore already proposed to the Council changes tightening up the rules, and will be submitting further proposals. Our primary object is to ensure that chestnut and oak-trees, including sawn timber, originating in third countries — principally in North America, where the disease is endemic — may as a general rule be imported into the Community only where these products meet specific phyto-sanitary requirements that prevent the spread of this disease from North America to Europe.

Mr Jackson. — I hope that the Commissioner may have the opportunity to visit the country home of his colleague, the President of the Commission, in my constituency in England, for he will see there the devastation that has been caused to the landscape of that part of Europe by the elm disease and he will therefore understand the very considerable stake that exists in this matter of disease affecting trees and timber. I welcome his assurance that the matter is under study, but could I ask him to ensure that these rules, when they are drawn up in a tight form, are properly enforced, because there were rules against the import of the elm disease but it came into Europe.

We must see to it that these rules are properly enforced. What is he going to do about that ?

Mr Gundelach. — (*DK*) As the honourable Member will have appreciated, we are not just at the stage of investigation ; indeed I fully agree with Mr Jackson that the problem exists and that it is a serious one. We have already submitted proposals to the Council and we shall be making additional proposals, so we are now at the stage at which political decisions can and should be taken. It is quite right to say that the rules must be formulated in such a way as to ensure that they can also be enforced. This can be achieved by ensuring that they are sufficiently far-reaching and, in case of doubt, by leaving as little as possible to the discretion of the authorities responsible for inspection at the frontier. Thus, in case of doubt the burden of proof will lie with the exporter and the product will not be admitted. By avoiding too many arbitrary decisions at frontiers and instead laying down clear-cut rules that reject any product that may be suspected of importing the disease, we can at the same time ensure that our import authorities can enforce controls effectively.

Lord O'Hagan. — May I thank the Commissioner for his full answer and his assurances that the Commission is taking this problem seriously and may I also thank the Commission for sending me a copy of this draft directive ?

Is the Commission fully satisfied that, in order to cope with this problem, it is really adequate to allow derogations for certain Member States ? Does not the Commissioner accept that if loopholes are permitted, however clearly they may be defined, there is always the danger that a product coming from North America may slip into one Member State and then be spread throughout the Community. Will the Commission be prepared to tighten up these derogations when this proposal comes before Parliament ?

Mr Gundelach. — (*DK*) I said in my first statement that the Commission had submitted a proposal to the Council which already goes a long way towards solving the problem. I also said, however, that it was now my opinion that not even this proposal went far enough and that the Commission was preparing further proposals aimed specifically at avoiding the kind of situation referred to by Mr Jackson and Lord O'Hagan in which an excessive number of derogations that are not sufficiently clearly defined and are not tied down to a specific purpose and a specific geographical area may facilitate circumvention of the rules ; it is on this point that we wish to tighten up the provisions in the directive.

Mr Poncelet. — (*F*) I thank the Commission for its interest in the problems of oak imports. I would point out that some Member States are importing more than the allowed quota of oak from North America, which is sometimes affected by the diseases just complained

Poncelet

about, and that these imports are a serious obstacle to the sale of French timber and the products of French timber processors.

What does the Commission intend to do to put a rapid stop to these imports which, after the uncontrolled imports that have disrupted the textile industry in my country, are now in their turn undermining the timber industry.

Mr Gundelach. — (DK) The question we are discussing at present is how to avoid the spread of a dangerous disease among certain major species of tree in Europe, and is not about trade policy. It is unavoidable, however that when this disease is widespread among the species concerned in the United States and we are forced to introduce tighter rules — as incidentally the United States has itself done for the purposes of protection from other plant diseases — these rules will have a certain impact on the level of imports. However, the object is not protectionist but is to safeguard our own forests from destruction by disease, and I feel that even from the economic point of view this is by far the most important problem. If we are safeguarded against this danger, we can also ensure that our forestry industry is economically competitive.

President. — The first part of Question Time is closed.

7. Votes

President. — The next item is the vote on motions for resolutions on which the debate is closed.

We begin with the *Schmidt report (Doc. 136/79): Directive on the protection of members and others in sociétés anonymes.*

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — It was my understanding, Madam President, that the rapporteur and indeed the Legal Affairs Committee itself, had decided that they wished this report to be sent back to them for further consideration. In that case, Madam President, there will be no vote now. As you are fully aware, the rapporteur should now indicate to this House that it is indeed the wish of his committee that the report should be referred to them. I would ask him to so do.

President. — I call Mr Geurtsen.

Mr Geurtsen, rapporteur. — (NL) Madame President, even if Mr Scott-Hopkins had not done so I would have asked for the floor in order to request that this report be referred back to the Committee.

At the meeting of the Legal Affairs Committee on 4 September, the majority considered that it would be very unsatisfactory for the innumerable new Members of Parliament to have no opportunity for a full-scale debate on so important a subject as the Fifth Directive

on company law or to table amendments to the motion for a resolution in this connection and have to put up with just voting on it. For this reason and in order to be able to study the matter itself in the Legal Affairs Committee with its new membership in preparation for a thorough debate in the plenary Assembly, I would ask you, in agreement with the majority in the Legal Affairs Committee and under Article 26, paragraph 2, of the Rules of Procedure, to refer the report on the European Commission's proposal for a fifth Directive on company law back to the Legal Affairs Committee.

President. — Since it is requested by Mr Geurtsen, who has taken over as rapporteur, reference to committee, pursuant to Rule 26 (2) of the Rules of Procedure, is automatic.

I call Mr Vetter.

Mr Vetter. — (D) First of all, Madam President, allow me to beg your indulgence for having forced you, by exceeding my speaking time, to take the microphone away from me without any prior warning. But to come to the matter in hand. This attempt not to have a vote on the fifth Directive in this part-session of Parliament is, to me, politically incomprehensible. Even before the first direct elections, a reasonable compromise had been reached and this, once again, is quite clearly about to be put into its grave. That we cannot agree to.

The workers in our countries are entitled to see that this first directly elected Parliament should shoulder its responsibilities to the full.

(Disturbance)

The questions for decision before us are not new as some people would try to tell us — they have already been fully discussed in the old Parliament — and the arguments on all sides are familiar. For this reason it must be expected of this Parliament that in this central question of co-determination...

President. — Mr Vetter, I am very sorry to have to interrupt, but the Rules of Procedure are clear: reference to committee is automatic, and we cannot therefore reopen this debate now.

(Applause)

President. — We proceed to the *Luster report (Doc. 1-282/79): Amendment of Parliament's Rules of Procedure.*

Before considering the motion for a resolution, we must vote on Amendment No 1, by Mrs Vayssade, on behalf of the Socialist Group, deleting the words 'at least' in paragraph 1 of Rule 7 A.

What is the rapporteur's view?

Mr Luster, rapporteur. — (D) I took pains to state my opinion already this morning. If we want to remain flexible and have the possibility of considering

Luster

the relevant facts and certain particular circumstances that are known to all of us, then we should keep the wording as it has been proposed by the committee. I should point out that the committee was unanimous in proposing this wording.

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

Amendment No 1 is rejected.

I call Mrs Bonino for an explanation of vote.

Mr Bonino. — (*I*) Madam President, I would like to state very briefly on behalf of my Group that we shall be abstaining from voting in this case for the reasons that I gave this morning and because, as it is, this proposal on the quaestors leaves room for too much ambiguity not only as regards their number — given that the amendment tabled by the Socialist Group and supported by us, under which the number of quaestors would be fixed at three, has been rejected — but also as regards their functions and powers.

President. — I put the motion for a resolution to the vote. The resolution is adopted.¹

I call Mr Klepsch on a point of order.

Mr Klepsch. — (*D*) Madam President, I just wanted to raise a few procedural questions. I would propose, and I believe that it would be in the general interest of the House if you should so decide, that the election of the quaestors should take place tomorrow afternoon. Secondly I would like to suggest that — since we now have to decide how many quaestors have to be elected tomorrow — proposals on the number should be handed in to you say by 8 p.m. today, so that they may be printed and distributed tomorrow.

President. — The election of the Quaestors is indeed due to take place tomorrow at 4.30 p.m.

As regard your second point, I agree that we must take today the steps needed to enable the House to vote.

8. *Butter exports to Eastern States*

President. — The next item comprises :

— the oral question, with debate, by Mr Balfour, Mr Fergusson, Mr Tuckman, Mr Ingo Friedrich, Mr Cottrell, Mr von Wogau, Mr Hord, Mr Battersby, Mr Forth, Mr von Bismarck, Mr Curry, Lord Bethell, Lord Douro, Mr Turner and Mr Habsburg, to the Commission, on butter exports to Russia (Doc. 1-306/79/rev.):

In view of the strong feelings amongst Europeans that it is highly objectionable to subsidize the sale of EEC butter to the USSR, will the Commission :

1. Give a detailed explanation of the events which have given rise to recent reports of large-scale exports of butter to the Soviet Union at prices far below the retail price in the Community;
2. Give details of the manner in which it has honoured its previous undertakings to the European Parliament concerning such sales;
3. Explain how it justifies to European taxpayers the expenditure of large sums on intervention purchasing of, and export refunds for, butter for the benefit of a state which is economically less deserving than others of our subsidized surplus products and which contributes less than the European Economic Community towards the economic well-being of the developing world and the relief of world poverty, which is politically hostile to our Western European way of life and which does not recognize the European Economic Community; and
4. Give an undertaking that methods will be found for the disposal of intervention stocks which will in no circumstances lead to their sale to the Soviet Union without express prior authorization by the European Parliament?

— the oral question, without debate, by Mrs Castle, to the Commission, on butter exported from France to the Eastern States at greatly reduced prices (Doc. 1-304/79):

Will the Commission state what administrative or other measures it has initiated to prevent the massive exportation of butter from France to the Eastern States at greatly reduced prices without prior authorization from the Commission itself?

I call Mr Balfour.

Mr Balfour. — Madam President, the importance of the matter before this House for debate is not to be measured in mathematical or economic terms. I am not here this afternoon to give voice to a personal conviction or a political point of view but to declare that this question constitutes the most objectionable achievement of the European Community to date. Though my question deals with the political sensibilities of the very people who sent me here and of the people who pay their taxes in Europe. I am here to inform this House of the political passions which dominated the European elections in my country. I am not sure, because we have not yet had time to get to know each other, exactly what it was like for you, but I ask you to believe me when I say that in my campaign, at my meetings, the most frequent question, and the most sensitive of all, was the question of sales of butter at a subsidized rate to the USSR. It was not easy to explain the complicated concepts which govern our Community. We did our best, but one of the most difficult was this one.

In my country, the overwhelming reaction was one of hostility to this absurd system which sets unconscionably high prices for our own people and yet uses our own resources to subsidize sales to Russia.

(*Cries of 'hear, hear!'*)

¹ OJ C 266 of 22. 10. 1979.

Balfour

I recognize that there is nothing new in this and I have no doubt that the Commissioner in his reply will quote chapter and verse on how it has come about in the past. Certainly, as far back as April 1973 a special deal was struck for 200 000 tonnes of butter. There was a report presented to this Parliament, drawn up by Mr Bangemann. He quite rightly pointed to the political damage which this sale had done, which this special deal had achieved. In paragraph 75 of that report, he stated :

The Commission should undertake in future, and before entry into force of the amended version of the financial regulations, to consult Parliament or its responsible bodies as soon as it considers that, by virtue of its budgetary consequences or its political importance, a decision should be taken outside the framework of the annual budgetary authorization procedure.

Early in 1977 a new storm broke, and a conflict once again rose up between this House and the Commission. Something like 36 000 tonnes had been sold, this time, not by a special deal, but by the system of prefixation. The British contingent then voted against Parliament's acceptance of the Commission's proposals. Other parties, like the European Progressive Democrats, tried to censure the Commission for the efforts it had made to restrict exports. On 9 March 1977, the President of the Commission reaffirmed Mr Cheysson's approach.

But the people I represent do not care about special deals or normal exports so long as they constitute one and the same thing, they do not understand the distinction between prefixation and spot sales. It is not that they are simpletons or that they are ill-informed : I think they are better informed than some of us. If it is normal sales that offend us, then we must attack unrestricted normal exports. There are huge amounts involved : 340 000 tonnes are in stock right now. This year three-quarters of a million tonnes will be sold inside and outside the Community. And what is the total cost of all this likely to be ? Somewhere in the region of 600 million units of account. There are estimates that already 67 000 tonnes have been sold to the Soviet Union.

Why do we ask that exports of subsidized butter to the Soviet Union, be stopped ? Because of the political damage it does to our Community. Now what do I mean by that ? There are decent, humble, hard-working, trusting people in our constituencies who cannot understand why they must pay excessively high prices whilst the Russian State pays considerably less for our surplus stocks in the utilization of our taxes. The question uppermost in their minds is : do the Russians themselves pass on the same benefit to their people or does it go into their pocket to line the coffers of their defence budget ? The absurdity of the system is too glaring for this House simply to ignore. The mountain exists not because of economics but because of politics. Let nobody try to disperse that mountain on economic grounds alone.

I address myself today especially to those of you who are convinced of the economic benefits, the economic logic, which such sales imply. We are not interested in what is the cheapest method of disposal. We consciously produce surpluses and we now consciously want a say in how these surpluses should be disposed of. Do not dismiss us. Do not simply think these people are too politically conscious. Remember that some of the people who we represent are today being called upon to contribute more than any to the financing of these mountains. I ask those of you who are convinced by the economic rationale which the Commissioner will undoubtedly put to us, to remember that what we have behind us is a valid political reaction.

To those of you who come from districts where the surpluses are created, I say to you that I am on your side, because I come from a constituency which produces dairy products. We recognize that this is a problem which is inherently a European one. I do not stand up as an Englishman and say it is your problem, you deal with it. Far from it. I simply ask you to understand that there are political sensibilities at stake that this House as a whole cannot ignore. We are not saying that the mountains should not exist and we can spirit them away. We are merely saying that they should not be lavished on those who are less deserving than others of our charity.

To those of you who have no dread of Communist Russia and who feel that Communism is an ideal, I ask you to accept that you have friends and colleagues in Europe who do consider Communism an alien ideology, and most of all who view the Soviet Union with hate for the system of totalitarian repression that they represent, who fear the guns and the bombs that are levelled directly at us and who recognize the cynical disregard with which they fail to recognize our Community.

I address myself as well to the Commissioner. We recognize that he has tried to grapple with this problem, but, quite simply, we are not satisfied. We now want you, Mr Commissioner, to accept that we wish to go further than ever before. We want to put an end to the process by which you pass on the revenue from our consumer taxes to Russia. We want to give you the courage to slam down your hand on the Council of Ministers' table and to declare loudly that there is a limit to the forbearance and tolerance of the people of Europe. If surpluses are to be created, so be it. But they will not so easily be dispersed. This is why we call on you to give us a clearer undertaking than ever before. I stand here today, therefore, to bear witness, on behalf of those who sent me here, to a grievance and a sense of outrage which it is impossible for me to exaggerate.

(Applause from certain quarters on the right)

IN THE CHAIR : MR VONDELING

Vice-President

President. — I call Mrs Castle.

Mrs Castle. — I understand, Mr President, that I am allowed to take with these two oral questions the third one, also in my name, on export subsidies on butter*. It asks the Commission whether it will draft a resolution for submission to the Council of Ministers to amend Article 17 of Regulation 804/68 to ensure that no export subsidies are paid on butter unless the Commission and Parliament have approved the sale in advance.

The purpose of these questions of mine is to enable the Commission to license all large-scale exports of butter to third countries, wherever those countries may be. As we all know, there is no automatic control of these exports at present. The Commission only has to authorize the deals if the export rebate is pre-fixed, and as there is no automatic control, then there is clearly no control of these exports by this Parliament. Nor is there any opportunity for this Parliament to intervene at the appropriate time. I want to give it that opportunity to intervene. But may I, in doing so, make one thing absolutely clear from the outset. I totally dissociate myself from the purpose and philosophy and emotion of Mr Balfour. I found that really rather nauseating. Because what he was trying to do was to bring a serious agricultural problem into the heart of the cold-war philosophy of the British Conservatives! (*Applause from the left, protests from the right*) and we shall get nowhere in this Parliament, Mr President, unless we separate them. What I found the most shocking part of his remarks was his statement: 'I do not say that the butter mountains should not exist'. The purpose of my question is to say that the real scandal we face is that the surpluses are there, and that we have then to try and save money by exporting those surpluses to third countries with massive export rebates to reduce the price at which they are sold to something like one-third of the price the European consumer has to pay. Oh yes, there were political passions all right in the European elections in my country and Mr Balfour's country. But what the consumers, the housewives of Britain, were concerned about was not some hatred at the fact it was going to the Soviet Union...

(Protests)

* Text of the question tabled by Mrs Castle for Question Time:

Will the Commission draft a Resolution for submission to the Council of Ministers to amend Article 17, 1968, Regulation 804, to ensure that no export subsidies are paid on butter unless the Commission and the Parliament have approved the sale in advance?

No, it was anger that it should go to any non-European country, whether East or West, at a fraction of the price the European consumers were having to pay.

(Applause)

That is the real scandal, and you will not get rid of it, I realize, just by licensing these exports. You will not get rid of it by saying: no exports to the Soviet Union. In fact, there you make the Commission's job worse; you make the position of the budget in this Community worse, because you are throwing away one of the most fruitful sources of getting some of your wasted money back.

But what I say is that the concern of this Parliament, as it is the concern of the Commission, ought to be so to reform the open-ended commitments of the Common agricultural policy, with the excessive price-levels that are fixed, that the surpluses do not occur. This is not a different question, because as long as these export sales can take place secretly — they only come to light because some newspaper unearths them, and even the Commission may not know that they have taken place — we are all of us in the European Community failing to face up to the major challenge of the common agricultural policy: get rid of these wasteful and anachronistic surpluses; get a realistic agricultural policy that gives support to the farmer, in particular the smaller farmer. Of course we all stand for that. But not for a policy that does it at the expense of such excessive production that you have to stockpile it and then scrounge around the world to try and find a customer to take it off our hands. There is indeed anger in Britain among housewives when they read these stories that the surpluses can only be disposed of by cut-price sales. My heavens, to think that there are sales of this butter to anybody — I don't care who they are — at a subsidy of 50p a pound, bringing the price down to 23p a pound when we are paying 75p a pound in Britain — that is where the anger comes, that is what we want stopped. We want the whole system changed, and I press this question, Mr President, because I want this Parliament to face up to this issue one, two, three, four times a year in the light of the Commission's report and our controls, so at last you will all wake up and do something about it.

(Applause)

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

Mr Sherlock. — Mr President, I cannot see that the last speaker has in any way referred to any of her items appearing on the order paper. The questions are framed entirely and exclusively in the terminology — or should I say the verbiage — of exports to Eastern States and such things. Either I cannot read, or there has been a misprint: there is nothing in the substance of her question referring to overproduction.

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — (DK) Mr President, I would like to thank the honourable Members who initiated this debate and I would also like to express thanks for the speeches that have been made. The present Commission has always been fully aware of the political considerations, emotions and reactions associated, on the one hand, with subsidized exports to the Soviet Union and, on the other hand, with the, in my opinion, more fundamental question of the existence of a steadily-growing structural surplus of milk and dairy products on our market, which is resulting in ever increasing stocks and ever-increasing expenditure for taxpayers and consumers. It is this development which the taxpayers and housewives in this Community are, in my view, rightly unable to comprehend. This policy of surpluses must be stopped. Until such time as it has been stopped, we shall continually be faced with the problem of what to do, not only with the 347 000 tonnes currently stored in public intervention stocks, Mr Balfour: the figure is greater: There are an extra 255 000 tonnes in private stocks but financed out of Community funds, and this amount will increase even more before the year is out. This continued stock-piling of butter and other dairy products must be halted. As long as these surpluses exist, it will always be a duty and responsibility of the Community authorities, the Commission, Parliament and the Council, to dispose of them on the internal market or *via* export, because the alternative is to leave these products in storage to go bad; none of the ladies and gentlemen present in this House would want to go back to their constituencies and say that they had been party to a policy which allowed hundreds of thousands of tonnes of butter to rot away, so rendering it unfit for human consumption. This is the one alternative that none of us can face, as it is tantamount to a declaration of political bankruptcy.

Our task must therefore be, above all, to pursue a milk policy in the Community that respects the social and economic rôle of the common agricultural policy and puts an end to continuing surplus production, which has resulted in the dairy sector alone claiming more than 40 % of the Community's overall budget. Over a few years there has been an increase from the already large amount of 25 % to almost half of the total Community budget. It is obvious to anyone that such a policy is unacceptable in the eyes of our fellow-citizens, the taxpayer and the consumer, and this is our real problem.

The Commission has, unopposed, published reports containing a detailed analysis of the problem and of its main political aspects and proposing different solutions. In previous years, last year and again in the price package that was finally adopted by the Council on 22 June 1979, we have persuaded the Council to accept a price-freeze in units of account for the guarantee price for dairy products. We failed to get the Council to accept an increase in the co-responsibility levy which could, on the one hand,

have helped to curb rising butter production and, on the other hand, by disposing of the surplus products on the domestic market and on third-country markets, could have transferred some of the financial burden from the taxpayer to the producers themselves. Even though there was a large majority in the Council for this policy, decisions of this nature in the Community must, for reasons that everyone in this House knows, be taken unanimously. This is one of the political factors that we must reckon with in the Community and which makes the decision-making process so difficult; it also means however, that this directly-elected Parliament's responsibility is much greater, as the political impetus to resolve these problems can come from no other place than here.

It is therefore essential in this debate that the emphasis should be placed in the right spot and the priorities identified correctly. The first priority is finally to secure acceptance of a policy that halts the continuing increase in the production of milk products and which, at the same time, promotes the natural consumption of these products. The Commission will before the end of the year be submitting proposals to this effect that are not only consistent with our approach in the past but expand on it in the light of recent developments and the debates that have taken place; we hope on that occasion to have a wide-ranging debate with Parliament and to secure Parliaments active involvement in the development of a milk policy that is in line with the economic and political realities confronting us today.

No-one in this House — I take it — will deny that, in resolving this issue, account must also be taken of the important interests of a purely social nature that are associated with the problem. A significant proportion of agricultural activity in Europe is based on milk production, and it is not the richest proportion. The solutions we devise must also be socially acceptable, but the social aspect of the problem must not be resolved in such a way as itself to contribute to surplus production. Other ways and means must be found of devising sound and realistic solutions to the social problems facing the many hundreds of thousands of milk producers in Europe, producers who, it must be recognized, in many cases have no alternative to butter production.

Such solutions can be found if the political will is there, and this is the question to which we must attach priority. However, until this question is clarified we are left with the stocks consisting mainly of butter, skimmed milk and skimmed-milk powder to which I referred, and these stocks must be dismantled. It is true that the subject was debated between the Commission and the Parliament in the beginning of 1977. This debate was not, as Mr Balfour said and as also emerged from his later comments, a confrontation between the Parliament and the Commission, but an exchange of views on what could be done about this problem. Firstly, I did not obtain quite the degree of support for a new milk policy that I had wished for. I hope that I shall be able to do so in this Parliament.

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However, as regards utilization of the surpluses on our hands, agreement was at least reached on a political guideline, which was that greater emphasis should be placed on using Community funds to encourage the consumption of butter and other dairy products on the internal market; that is, that a better balance should be struck between internal and external consumption irrespective of the fact — as you have rightly appreciated, Mr Balfour — that it is more expensive to subsidize the internal market than the external market. However, a political decision was taken which the Commission fully supported and has implemented precisely for the reason that the fundamental issue is not simply to determine the most economic means of dealing with a specific problem concerning surpluses. It also involves psychological and political factors which cannot be overlooked and which require the main emphasis to be placed on disposing of our surplus dairy products on the Community's own market. This is what we have done.

In 1979, 700 000 tonnes of butter will benefit in one form or another from subsidies from the agricultural fund in connection with its disposal on the internal market. The last three years have seen a rise of 300 or 400 tonnes. It is perfectly true that the amount of money that has to be expended on every hundred tonnes in order to reduce its price is less than the amount that must be disbursed for 100 000 tonnes intended for export. But the quantity of butter involved on the internal market is around six times as great as the total quantity intended for export, not to mention the relatively small quantity that may have been sold to the Soviet Union. To this should be added all the milk powder that is sold either for human consumption or, in the form of skimmed-milk powder or liquid skimmed milk, as fodder for the indigenous breeding of livestock intended for our own consumers, and the support for butter and butter-oil for the processing industry, which again mainly supplies our own internal market. Far more money is used now than previously to subsidize the sale of dairy produce on the internal market than on the external market. This does not, however, mean that with the budgetary constraints we are required to live with as long as we have these surpluses of butter and milk, we can drop the export business altogether. We can place the emphasis on the internal market; That is right on political and psychological grounds, it is right in the interest of the taxpayers who are required to foot the bill; but it is more costly than using export markets, and it is unlikely that it will be possible to eliminate surpluses until such time as we have a different policy on milk. Exports must therefore be continued.

I might add here that there is a tradition of butter exports in Europe. Several member countries have exported butter for decades, and this is important for their balance of payments and their trading community; this should not be underestimated when

appraising the overall political picture. If we were to stop all exports, I can guarantee Mr Balfour that the move would provoke an embarrassing and violent social reaction in many of our member countries, as it would mean the closure of a traditional industry.

However, exports necessitate a system of refunds, because Community prices have reached a certain level, on which the Commission and the former Parliament were incidentally, not always agreed. Some of the honourable Members who have put their name to this question were criticizing me a few months ago for pursuing too tight a policy towards the dairy industry. I hope they will now be able to see these two things in context.

As long as we have surpluses, a certain volume of exports must continue. Given the prevailing level of prices, such exports are possible only on the basis of export refunds. These exports go to many different markets around the world and sometimes some of them go to Russia, so giving rise to unpleasant controversy.

With regard to exports to Russia, I would like to make it perfectly clear that the first 66 000 tonnes that have been mentioned were thoroughly debated with Parliament at the beginning of this year. It is not a new affair but an old one, although it does, of course, form part of the story. I have no knowledge of the quantities of 75 000 tonnes and 80 000 tonnes reported in the press, because the Community does not conclude agreements on the sale of butter with the Soviet Union. The Community does not guarantee butter sales of this nature by prefixing the size of export refunds. However, we do on application, pay refunds as the provisions require, and this includes butter sold to the Soviet Union. Otherwise the Commission would be introducing into the existing basic regulation a form of political discrimination for which there is no provision in these regulations.

Here we come to a major problem: should this situation be changed? This is the point that has been raised by Mr Balfour. I feel that before any action is taken thought should be given to the kind of overall trade policy which the Community wishes to pursue with the Eastern-bloc countries. I do not intend to enter here on a discussion of a general political nature. That is outside my sphere of competence and my views on the subject are anyway sufficiently well known in advance, but I would just like to make a plea for consistency. We trade industrial products with the Soviet Union. Sales of industrial products to the Soviet Union are approximately 20 times the size of our total agricultural exports to all Eastern-bloc countries. A large proportion of these industrial exports benefit from special terms in the form of cheap loans, special credit arrangements and so forth. We cannot pursue one trade policy for agricultural products on political grounds and a different one for industrial products that takes account of different political

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considerations such as the employment situation in industry, because there is also an employment situation in the agricultural sector.

However, there is a limit to how far an agricultural Commissioner can go in discussing the subject of trade policy versus general foreign policy and defence policy. I can only state that as long as the Community continues to trade with the Soviet Union we must treat this country in the same way as we treat the other countries in the agricultural sector; neither better nor worse. If I approach Mr Balfour's viewpoint, I do so from another angle. If in the debate on our milk policy the line were eventually to be adopted that the Community should begin to rely on continuing exports of butter to the Soviet Union, this would mark the start of a politically unacceptable state of dependence. It would mean that we had embarked on an illusory policy that was risky both in political and economic terms. We cannot base our milk policy on sales of butter to the Soviet Union. Such sales are just occasional phenomena. They are not and ought not to be a permanent element of our milk policy; on this we are fully agreed. Yet — and I have said this three times — as long as we have these surpluses we must continue with export refunds, which account for a smaller proportion of spending on the milk budget than the internal market, and must do so in the light of the trade policy pursued overall by the Community and without introducing political discrimination.

However, we must also pursue this policy in such a way as to minimize the burden on the Community budget and maximize control. This is why we said to Parliament on a previous occasion — and gave what is known as the Cheysson pledge — that no special deals and no special agreements, whether direct or indirect, formal or informal, would be concluded with the Soviet Union concerning butter-sales. We have honoured the Cheysson pledge. No assurances have been given with regard to guaranteeing export refunds of a given size for a given period or for given quantities, either directly or indirectly. I have thus fully respected the undertakings I entered into with the previous Parliament in discussions in the spring of 1977 and the winter of 1978-79. Nothing has been promised in advance.

I can add that according to the information in my possession no butter was sold to the Soviet Union in June, just over 15 000 tonnes were sold in July and just over 5 000 tonnes in August. I do not yet have the figures for September, although it is clear from these figures that there is a long way yet to the 75 000 tonnes that have been mentioned in the press. However, this figure could of course be reached by a gradual, insidious process. To avoid this eventuality the Commission has decided to attempt to reintroduce the arrangement that was operated briefly in the spring of 1977 and which meant that butter exports to all destinations were subject to an export certificate issued by the Commission.

By issuing certificates for butter, we do not wish to restrict exports but to improve the control over transac-

tions with a view to obtaining fresh information each week on developments since the Commission has both a duty and a responsibility in the important matter of fixing the size of the export refunds; these naturally have a significant bearing on the volume of sales and, above all, on the scale of expenditure from the Community budget. With better control and monitoring on a weekly basis, we shall be in position to pursue a policy on export refunds which I am convinced will be cheaper for the Community exchequer than what we have been able to achieve in the past. I am convinced that, if it concentrates on the fundamental issue facing us, this debate will be able to go a very long way towards ensuring that the proposals which the Commission has submitted on this subject are adopted by the appropriate Council bodies, not in the form of a temporary arrangement, as in the spring of 1977, but as measures of a permanent nature.

Mr President, I would like to close by saying once again that in the Commission's view — as we have repeatedly stated — the Community is faced with a crucial problem in the dairy sector. I am convinced that the Community could not exist and operate without the common agricultural policy. It is one of the cornerstones in the construction of the Community. If it is removed, the Community will disintegrate. Yet the common agricultural policy cannot be acceptable in the eyes of the electorate and of those in political authority if its resources are increasingly used to finance production for which there does not exist anything approaching a natural market. This shortcoming must be made good, and when it has been made good the cloud at present overshadowing the common agricultural policy will also disappear. Today's debate would then appear in a quite different light as, at most, it would concern a few limited minor transactions with the Eastern-bloc countries that were insignificant by comparison with the industrial exports we continue to send to that part of the world; indeed, for that matter, the complete cessation of such exports would not then present any difficulties.

The Commission wishes — as I have tried today — to place all the various views and all the relevant information before Parliament. We will also do so in future, and we very much hope to be able to discuss this matter — but as part of an overall policy on dairy produce and this, in turn, as part of the common agricultural policy — with Parliament and its appropriate committee in the coming weeks and months, because decisions of crucial importance urgently need to be taken. Everyone knows that the Community's own resources as specified in the present Financial Regulation will have been used up by 1980 or 1982 unless we adopt a different approach. Modification of the Financial Regulation requires not only the support of a unanimous Council and a majority in this Parliament but also ratification by the national parliaments of all the Member States, and that will not be forthcoming while surplus production of butter is claiming 4, 5 or 6 thousand million units of account.

President. — Mr Balfour, your maximum speaking-time is five minutes. There are another twenty-four speakers on the list.

Mr Balfour. — Mr President, before the debate began I was given to understand that I would cede to others the time allowed to my group. I would just add one point to what I said earlier, and that is that I am surprised that Mrs Castle has failed to grasp that the whole purpose of this debate is to place extra power in the hands of the Commissioner in order precisely to bring about the reforms that we all want to see with the CAP.

President. — I call Mrs Castle to ask one or two supplementary questions.

Mrs Castle. — I do not think I need to ask any supplementary questions.

(Applause from certain quarters on the right)

I think Mr Gundelach has totally vindicated the speech I made. I am most grateful to him for endorsing it. I am most grateful to him for having pointed out that we cannot have political discrimination in these exports sales, and that the purpose of the export licensing powers that he is proposing to take is merely to have a better control over export sales to any country. That is what I am asking for.

(Interruption)

No, I am using my right of reply, Mr President, and I do notice my Conservative colleagues are desperately anxious to take other people's democratic rights away from them when they disagree with their point of view.

(Applause from the left)

They talk about the Soviet Union and they practise a dictatorship through a distorted democracy which this House will get to know more about as we go along, but I intend with your protection, Mr President, to continue with my final remarks to which I am entitled...

President. — Would you put your questions now.

Mrs Castle. — I welcome the fact that Mr Gundelach recognizes that these export sales along with these export rebates, will go on until something has been done about the butter surpluses, and I want to tell Mr Gundelach that as far as I am concerned he will have my full backing in that against the Conservative Minister of Agriculture who sold out the interest of the British consumer in agreeing to the last price increases in the Council of Agricultural Ministers.

(Protests by the European Democratic Group, applause from the left)

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

Mr Tolman. — *(NL)* Mr President, may I begin by thanking the Commissioner for his detailed and, to my mind, correct answer to the questions. I have the impression that I am not alone in holding this view since Mrs Castle agrees with me that the answer was the right one. I must say that I have never before witnessed such a sudden conversion.

Turning to the political aspect of this whole matter, it seems to me that the significance of these butter exports is being somewhat exaggerated. My group, the Christian-Democratic Group, cannot associate itself with any exaggerated condemnation. I believe that would be a shortsighted approach. We are not addressing our electoral constituencies here — we must look at this matter in European terms. I repeat that the approach taken to this subject in some quarters seems to me to be shortsighted.

The political aspect of this matter involves a decision as to whether we should continue with the policy pursued up to now. In other words, must we pursue an agricultural and dairy policy which has certain special features, particularly in relation to the Soviet Union? I cannot understand the problem here. Mr Gundelach has pointed out that enormous quantities of cereals are imported by the Soviet Union from a number of other countries, that there are certain transfers of technology and many trade relations with Russia. How then can we criticize the export of butter to the Soviet Union on the grounds that human rights are trampled underfoot in that country? If we do that we should have to follow the same policy in respect of all other products; we cannot accept the pursuit of an isolated policy on butter trade with Russia.

I want to make one further observation to the previous speakers. Those Members from the United Kingdom who have reservations about the export of butter to the Soviet Union are also the strongest advocates of maintaining butter imports into the Community. I do not see how they can reconcile their views on these two issues. I do not wish to suggest, Mr President, that this is not a serious problem. My group recognizes the difficulty of this problem; the difficulty is twofold because Mr Gundelach and the Council of Ministers of Agriculture are unable to reach agreement. That was apparent this summer in connection with the fixing of agricultural prices.

We are able to 'design' an effective dairy policy and we agree that the surpluses must be cut back but when we come to discuss this policy we are unable to disregard the income of our European farmers. Mr President, that aspect has played too little part in the discussions up to now and was also somewhat disregarded in Mr Gundelach's answer. If we in the Christian-Democratic Group put forward our wishes we must also indicate an order of priority. First of all in the case of agricultural policy we want a measure of certainty for the millions of persons employed in this

Tolman

sector. Secondly we feel that in the case of exports of surplus butter, high priority must be given to our own European consumers. Thirdly it is our political conviction that food aid to third countries deserves prominent attention.

Mr President, I shall end now because there are many other speakers. I understand that there is still to be an English offensive. One point in Mr Gundelach's statement was not clear to me: he remained extremely vague in defining the quantities involved here. I have heard mention made on several occasions of exports of between 70 and 75 000 tonnes to the Soviet Union. Mr Gundelach has not confirmed this but rather tended to play down the figure. When he ended by saying that we should pursue a transparent policy based on export certificates I cannot understand why he should also be evasive on the quantities and leave us with the impression — that at least is how our group feels — that the policy remains shrouded in some obscurity.

I may be rather too curious but I should very much like to know what exact quantities we are talking about: do exports to the Soviet Union amount to only 10 to 15 000 tonnes, an insignificant amount, or are between 70 and 80 000 tonnes in fact being exported to the Soviet Union?

We should like that point to be clarified.

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

Mr Curry. — Mr President, in her remarkable opening speech to this Parliament, Madam Louise Weiss noted that we had already achieved the Europe of the pig but failed to achieve the Europe of the person. In fact, if we had to devise a symbol for Europe, it would not be the pig, it would be the cow rampant over a bag of soya and a deepfreeze.

In wishing to discuss the export at subsidized prices of fresh Community butter to the Soviet Union, we in this group are aware that this is a symptom of the disease, not the disease itself. The disease is chronic over-production on the farm and chronic under-production of decision making on the part of the Council of Ministers. However, we do wish to highlight certain issues which flow from the butter sales.

The first of these is one of great constitutional importance for this Parliament. It is to ensure that the assurances given to our predecessors are sustained by us. In this case the constitutional issue is the virtual lapsing of Commission promises of consultation on butter exports. In his remarks in December 1976, Commissioner Cheysson undertook formally to consult Parliament before taking decisions likely to have political repercussions or financial obligations going beyond the normal budgetary limits. In March of the following year, in the light of yet another sale, President Jenkins reaffirmed the Commission's desire to keep within the framework of this undertaking. What this meant was that the Commission undertook to

consult the Parliament on sales and upon specific terms, on sales which were politically sensitive, on requests that export refunds be fixed in advance for amounts of more than 10 000 tonnes. Since the sales are now indiscriminate, and advance fixing is not necessary because the Commission no longer changes the export refund, it is clear that a significant part of that promise has become a dead letter. However, the spirit of that promise, Mr President, remains, namely, that this Parliament should exercise that primordial duty of all parliaments, which is to safeguard the rights of the taxpayer. We want the Commission to make the process of consultation promised by it a reality, not a piece of institutional fiction.

The second issue, Mr President, is economic. We believe that it is absurd that export refunds are so large that they enable the exporter to undercut a world market price which is itself geared to the dumping of marginal production. If the Community has an unwholesome image in the world as a trading partner, it is largely because of a system of authorized dumping of surpluses which make nonsense of the Community's own objections and complaints about the practices of certain importers in the steel, textiles and motor-vehicle sectors. We recognize the social problems posed by any contraction of the dairy sector, and I was particularly affected by the remarks Mr Poncelet made on this subject in July. When there are six million people unemployed in the Community, we are not, of course, in the business of adding unnecessarily to the unemployment queues, but at the same time we must recognize that the Community has to survive in a competitive world. I cannot help but feel that if the governments of this Community have the courage to undertake necessary restructuring in such strategic sectors as steel, shipbuilding and textiles, then they should also have the courage to recognize that there is no law which makes a specific exemption of dairy production. There is nothing magical or mythological about the production of food. A tonne of butter which cannot find a market is no different whatsoever from a tonne of steel which has no market, and we have to act accordingly to bring supply into line with demand. To say that a steelworker in Lorraine, for example, has no right to produce more steel because the site upon which he works is uneconomical but that a dairy farmer anywhere in the Community has an unlimited right to produce milk despite the uneconomical nature of the farm on which he works is a piece economic nonsense.

We have spoken of the economic, commercial and constitutional problems. There is one final problem, and that is the management problem. The Community's agricultural system is not geared to manage a market, but to react to it. It is a form of platonic *dirigisme*. We have a system which is partly free enterprise, partly state-controlled, and we demonstrate the worst characteristics of each.

Curry

That is why we shall be introducing a motion which expresses our concern and voices the determination of this Parliament to defend the interests of the taxpayer.

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

Mrs Barbarella (I). — I shall be brief, because many other Members wish to speak in this debate. May I begin by associating myself with the words of Mrs Castle who denounced the scandalous emphasis placed by some Members of this Assembly on the sale of butter to the Soviet Union. I and a number of other Members see the real scandal as being the constant accumulation of butter surpluses, but I would add — and this does not seem to me to have been stressed sufficiently — that an even more scandalous phenomenon is the total lack of political resolve shown in recent years and especially in recent months when it comes to dealing with ways of absorbing these butter surpluses. Having said that, I believe that if these mountains of butter exist and if, as Commissioner Gundelach announced a few minutes ago, they are to go on increasing, it will be necessary to do something to reduce them. The Commissioner said that the stocks could not be absorbed on the Community's internal market and that buyers must therefore be found; he also said that it would be unthinkable to choose the buyers in the light of their ideology. That is a fundamental point on which we fully agree.

I would also like to remind you of the situation on the world market for milk and dairy produce; you all know, and Commissioner Gundelach is certainly well aware of this, that the world market for these products is saturated. Supply exceeds demand and it is therefore difficult to find takers at reasonable prices. This point needs to be remembered. The aspect which I want to stress particularly is this: if sales to the Soviet Union have been effected in accordance with Community procedures I cannot see the reasons for this attack; there must be other motives behind it. I think that the real issue — which has not been adequately dealt with today — is different: it is that of the Community procedures. Commissioner Gundelach has announced the Commission's intention of proposing to resubmit the 1979 regulation involving the reintroduction of a system of licences; this would, I think, allow better control over sales. I think, however, that one point has not been clarified sufficiently: I refer to the level or at least the order of magnitude of the refunds which will be granted on exports — that for me is the heart of the matter.

In a report on the situation of the dairy market, published I think in 1978, the Commission informed us that the refunds granted on butter sales amounted to some 70 % of the value of the product while for skimmed milk the refund might be as high as 85 % of the value.

It will surely be apparent to all of you where the benefits of butter exports lie; the economic benefit certainly does not go to the small milk producers who are held to be responsible for the surpluses, but primarily to the dairy industry behind which enormous amounts of capital are to be found. I want to remind you of one thing: in the 1980 budget the Commission entered 1.5 thousand million units of account for export refunds and it has already corrected its forecast — upwards of course — with the first letter of amendment Mr Gundelach told us that this expenditure was not enormous when seen against the rest of the aid granted to the dairy sector and that is true; nevertheless the figure is enormous and the benefit is derived by the exporters of these products and by the milk processors — in other words by the dairy industry. That seems to be one explanation at least of the lack of political will to make any attempt to absorb the butter surpluses — no real effort is being made to do that.

In conclusion, the solution to the problem of butter surpluses must be found elsewhere than at the level of the butter mountain; the solution can only lie in a radical review of the existing mechanisms which guarantee indiscriminate buying into intervention of any given quantities without limit. We have therefore always advocated the placing of a ceiling on intervention purchases. I would also add that while intervention must necessarily be limited, the mass of small agricultural producers must be assisted; they must be assured of an adequate income but at the same time a policy of production conversion must be pursued to encourage them to produce the commodities which the people of the European Community really need.

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

Mr Maher. — Mr President, I feel that this question is a bit broader than the matter of exports to Russia or any other third country alone. Inevitably, the whole question of the future of the CAP dairy policy is bound to be touched upon. I think the dairy producers of the European Community today have every right to ask the question: if measures are being used to depress production now — and they are being used through the Commission's policies — and the producers are being asked to support that through financial penalties in the form of the co-responsibility levy, why is it that at the same time 60 % of the oils and fats marketed for human consumption in the European Community are imported?

The producers also I think, have the right to ask: why is it, since there is such an emphasis on the question of exports of butter over and above the amounts consumed within the Community, that we are still importing butter? In fact we are importing almost one-third as much as we are exporting. Where does

Maher

Community preference come in? Is there a Community preference? I think that the producers of the European Community have every right to ask these questions, because after all they have the problem, like many other people, of trying to keep up their incomes. If they cannot keep their incomes up by means of price increases — which is almost the law in practically every other sector — they have got to try and keep pace with inflation by increasing production. In fact, in many of our countries that is the advice they are getting. If you cannot get an increase in the price, you increase production. It now seems that by increasing production you are still in trouble; you have to pay penalties for increasing production, and the farmers might well ask: What are we to do? What are we to turn to? What do we produce if we do not produce milk? If we look at alternative products within the Community, there is not very much flexibility.

What I really want to say is that this is not a simple question; it is a very complex problem indeed. Frankly, I can understand the attitude of the people who oppose the idea of sales of surplus butter to Russia or to other countries. I am no more in favour of sales of surplus of butter to Russia than anybody else. But it is incomprehensible to me that many of these same people act completely differently in the industrial sector; Mr Gundelach alluded to this fact. One particular government — and I do not mind naming it — the UK government of some years ago, negotiated a deal with the Russians for the export of industrial products. It gave them 12 months' credit at 7% on money that had cost them 14%. Now, if that is not direct aid to Russia I do not know what is.

(Cries of 'Hear!, hear' and applause)

You have got to be consistent about this. I am not saying that it was wrong — I am sorry that Mrs Castle is absent from her seat, because she was, I think, a member of the government which negotiated this deal... I'm sorry, I'm not talking for the Conservatives either...

(Laughter)

I do not want to be taking sides, Mr President — not with the British — but I frankly believe we ought to be consistent here. We ought to have a consistent policy on exports of butter, or of any other product, to Russia, and not be singling out agriculture for one kind of treatment and other products for other kinds of treatment.

Could I make one comment in relation to a point made by a friend of mine who, I think, is a British Conservative, when he said: there is no difference between steel and butter, or at least between the people who produce them. I would make one point — and I think this has to be remembered: the farming community of our member countries has

been decimated over a period of 20, 30, 40, 50 years. It has reached the point in some of our countries now where the structures can barely be maintained because the population has become so sparse. People have moved out of agriculture in massive numbers into the cities and towns, and into the steelworks and so on. That is even continuing today in my own country, where 23% of the population is still in agriculture. It has still by far the highest proportion in the European Community. So there is a difference between the situation in industrial production and production in agriculture.

My last point is that I have listened for years to people saying the CAP is bad, pointing to its faults. But we yet have to come up with an alternative system that is satisfactory to the consumer — and remember the consumer has consistently got a good supply of products at a reasonable price. What are we paying for oil today, for instance; are we complaining about oil prices? No, because it is very scarce. We do not even ask about the price. We ask about the price of the product that is plentiful; when something becomes very scarce, we only ask: can we get it.

I would say there is a challenge to this Parliament now to make a constructive contribution to a new policy. I am not against a new and better policy for agriculture. That way we shall be assisting the Commission in its work, and also assisting, above all, in the development of a viable European agriculture.

President. — I call Mrs Dienesch to speak on behalf of the Group of European Progressive Democrats.

Mrs Dienesch. — *(F)* Mr President, Mr Gundelach had stated on previous occasions that this affair illustrated the serious nature of the dairy situation and he has proved that today. I am grateful to him for his clarifications.

The question of exports to the USSR is in fact only one aspect of the problem: that of the disturbing butter surpluses in the Community. I shall not dwell on the figures, an amount of 150 000 tonnes since the beginning of this year has been mentioned and 67 000 tonnes of stockpiled butter have been sold by a number of European countries, the Netherlands, Ireland, the Belgo-Luxembourg Economic Union and France to the USSR. The Commissioner said that he could make no prediction of future quantities. But whatever the quantities may turn out to be we ask ourselves three questions. Are these exports being effected in accordance with the normal Community procedures? Are these exports detrimental or on the contrary necessary to the development of the common agricultural policy? How can an overall solution to the specific problems of dairy surpluses be found — a solution which the Commissioner said was imperative?

Dienesch

In answer to the first question, we feel that the procedures are being respected. If East European countries wish to buy our butter surpluses on the basis of procedures laid down by the Commission there is no statutory provision to prevent the Community from selling its surplus. After all that is a standard practice in every sector and in every country.

Secondly these exports form part of a dynamic Community commercial policy. They are facilitating at present the disposal of agricultural surpluses, particularly surpluses of butter and milk powder. Of course they are preferable to a systematic curb on production and to penalties on dairy farming — especially as these exports are to some extent incidental, as we have seen.

Perhaps this general view is not shared by a number of our British colleagues. We are not unaware of their problems but we have a duty to remind you that this comprehensive policy is essential to guarantee our self-sufficiency, to meet the food needs of our peoples and to enable us to give help to the vast number of undernourished men and women in many countries throughout the world. Instead of trying to curb our exports, it might be better to investigate the causes of an overproduction which is very unevenly distributed in any case.

As Mr Bouchou said this morning it is self-evident that the monetary compensatory amounts are particularly favourable to the countries with strong currencies including the Federal Republic of Germany which has by far the highest stocks. There have also been serious and prolonged failures to apply the system of Community preference. Although each country has its own problems, as we realize, we are bound to deplore the fact that the British market is still supplied with large quantities of New Zealand butter: 120 000 tonnes — a not inconsiderable amount. This figure far exceeds the exports now under discussion and these imports are inevitably detrimental to the sale of Community butter.

The situation is the same in respect of the oils and fats which are imported in enormous quantities by the Community. Here again opinions may differ on the means of obtaining a balance of food supplies in our countries. Some would prefer direct aid to producers while allowing us if necessary to be flooded with large quantities of products from outside the Community which would be allowed entry at world prices. We think it essential to help the Community to cover its own needs as far as possible. And the dairy sector benefits from no protection in relation to its direct competitors — in particular vegetable fat products. In 1978, 15 million tonnes of soya, an increase of 25 % on 1977, were imported, primarily from the United States. This privileged position of soya helps to throw the economy out of balance and provides excessive

encouragement for margarine production. It also represents competition for our own cereals production. 1978 saw for the first time a surplus of fodder cereals and we shall have to encourage even higher production since we want to promote dairy production based on domestic pasturing; we certainly do not wish to discourage young farmers who quite naturally expect a reasonable return on their labour, for the present in the milk sector; if the time comes when they have to change to other forms of agricultural production let us make the latter more attractive through adequate premiums while preferably placing restrictions on the factory farming undertakings whose levels of production are encouraged by the total sales guarantee that we offer them. It would not in my view be desirable to play the interests of the producers off against those of the consumers. Mr Balfour spoke just now of the sensitivity of opinion in his constituency. It seems to me that in genuinely rural constituencies there is no conflict between these interests. We must seek solutions which help everyone concerned on a reasonable and balanced basis. I do not believe, Commissioner, that — and I say this in all frankness — we can go much further with measures which ...

President. — You have continued for two minutes beyond your permitted speaking-time, Mrs Dienesch. I must now call Mrs Clwyd.

Mrs Dienesch. — (D) Mr President, this morning my colleague, Mr Buchou, was allowed ten minutes but in fact only spoke from 11.36 to 11.43. I respectfully ask you for one minute more.

(Protests)

President. — Mrs Dienesch, I am sorry, but it is my duty to ensure that the Rules are observed. There are another eighteen speakers on the list.

(Mrs Dienesch continues speaking. Protests from various quarters)

I must ask you to obey my instructions. Each speaker is entitled to five minutes 'speaking-time', which means that, if each uses his speaking-time to the full, the debate on this subject will last another 90 minutes, and then there will scarcely be time left to deal with the remaining items on the agenda. I therefore address, in the interests of us all, an urgent appeal to all speakers to reduce their speaking-time as much as possible.

I call Mr Provan on a point of order.

Provan. — Mr President, will you give a ruling to the effect that if people exceed their speaking time their words will not be recorded in the Report of Proceedings?

President. — You will doubtless have noticed that the interpreters stopped translating before the end of Mrs Dienesch's speech.

President

I call Mrs Clwyd.

Mrs Clwyd. — Mr President in the best British tradition of poachers turned game-keepers, it now appears that the past champions of the common agricultural policy and all its works are under orders from the British Conservative Government to cast serious doubts on the whole system and to intensify the cold war at the same time. The first manifestation of this sudden conversion has been Sir Henry Plumb's outburst about the sales of Community butter to Russia, and I'm sorry Sir Henry Plumb is not in his seat to listen to this debate.

Not long ago, when Sir Henry was president of the National Farmers' Union, not a harsh word about the CAP would have crossed his lips. Butter of course, is only part of his government's anger. There is the increase in costs of membership of the club and the unfairness of the system in which an importing country has to pay artificially high prices for food which could be bought cheaper elsewhere, and the difficulty of ever reforming the system in a Council of Ministers who have to be unanimous in their decisions. It was, of course all in the rules, but we agreed to those rules on joining the Community. The chickens, though, have come home to roost in their own backyard. The Tories who signed us in are back in government to deal with the situation they so willingly acquiesced to.

The fact that the Russians have been highlighted as beneficiaries of the Community's largesse is irrelevant; what is really at issue here is not which particular country outside the EEC the surplus butter is going to but the fact that ordinary people within the EEC are not allowed to buy it while, at the same time, their food prices are rising steeply. Insult is added to injury when these surpluses, paid for out of their taxes, are then sold off at below cost price, to other countries, and when they hear that nearly half the EEC's agricultural budget is spent on subsidizing exports, then they really believe that the EEC is lunacy personified.

One of the causes, of course, of the CAP's problems are the high farm prices continually set by the Council of Ministers, which means that the Community is committed to paying out the full price for as much as farmers and nature care to produce: a truly open-ended commitment. It means that farmers neither know nor care whether anyone wants the food they are producing. There is always the Common Market in the person of Mr Gundelach with a bottomless purse. Mr Gundelach asked a question some months ago which we should all ask ourselves here today. How long, he asked do you think the general public will support a policy whereby a lot of farmers are producing products not for the market but for one buyer — me, who am stupid enough to say beforehand that I will buy any amount you produce at a fixed price? Do you think there will be a political

support for such a policy? The answer is no. Prices have been set at these artificially, high levels because one of the aims of the CAP, that of increasing farmers' incomes has taken precedence over all others, including that of providing people with food at reasonable prices. In fact, food prices in Europe are now higher than almost anywhere else in the world. And since the average family in Europe spends over a quarter of its income on food, with poor families spending proportionately more, it is obviously something that concerns some of us very greatly.

With this present system the shopper is hit in two ways; through food prices kept artificially high, but also through the taxation which has to pay for storing surplus food. It might be in justice in an Alice-in-Wonderland make-believe world, but in the real world, where people are dying of hunger, it is costly and a wasteful scandal to surround ourselves by mountains of butter produced by protected EEC farmers while we are actively discouraged from eating it. Yes, Mr Gundelach, we do need a common agricultural policy, but not this policy, not a policy on which three-quarters of the budget is spent, not a policy where half that amount is spent on dumping the surpluses.

President. — I call Mr Debatisse.

Mr Debatisse. — Mr President, ladies and gentlemen, a number of speakers — first and foremost the authors of this question — have told us that in their country consumers and housewives are scandalized by these butter exports; allow me to point out that farmers, and especially milk producers, would be not only scandalized but duply offended if they had followed our debate because we all seem to be forgetting that agricultural policy is the only common policy that we have. It is easy enough to speak of Europe and of other problems when your own earnings are not directly affected. National sovereignty has effectively been abandoned as far as the fixing of agricultural prices is concerned. That is the only case in which this has happened. We hear talk here of surpluses but no reference to the consequences of the common decisions taken by the governments on the earnings of agricultural producers. Ladies and gentlemen, I think this should be the only aspect of concern to us. I hope that this Parliament will debate at much greater length than in these few minutes, this other aspect which has far more complex and dramatic consequences.

I sometimes have the impression — shared by my farming colleagues in the House — that all the aspects of this farm policy and all its consequences are being disregarded. It would therefore be highly desirable to take a longer look at it. May I say to my British colleagues that while they are scandalized by

Debatisse

the sale of 70 000 tonnes of butter to the Soviet Union they are themselves asking the Community to continue to purchase 120 000 tonnes of low price New Zealand butter. And between 1975 and 1979 butter production has shown a four hundred per cent increase in Britain.

I could cite many other examples. Since we are on the subject of the defence of consumers, what about the system of fresh milk collection with compensatory charges — a system which is still maintained and constitutes nothing short of a monopoly? That system too is a serious problem in terms of common agricultural policy. I cannot go into all the points of detail as I should like in the time allotted to me. I want simply to put the question that the farmers themselves are asking: what is the point of farming — does it have any real use?

The Commissioner knows, as I do, that it is easy to cut down the surpluses: he alluded to ways of doing just that. All we need do is ensure enough jobs. You will remember the policy pursued in the past ten or fifteen years. The flight from the land was felt not to be fast enough. Today things have changed and it would be as well to reflect on the situation. We cannot find enough jobs for everyone who is looking for employment and we are trying to solve the problem by saying that an even larger number of farmers must leave the land! Then at least the problem of surpluses will be solved.

That, Commissioner, is the easy way out. But allow me to say that your arguments surprised me and that your solution to the problem worries me greatly. You say that it would be inconceivable to go on selling large quantities of butter to the Soviet Union. But what kind of policy is Europe then to pursue? It does not want to follow the example of the United States and guarantee for five years supplies of cereals to the Soviet Union in even larger quantities than we could possibly supply. Are we to reject the possibility of using the resources represented by our agriculture to win markets in the USSR and elsewhere? That brings me to the real question: should we not review our attitude to all these dramatic problems? Let us never lose sight of the fact that the solution which is ultimately found is of immediate interest to the only sector of the European population directly affected by the consequences of the decisions taken — the farming community.

President. — I call Mr Howell.

Mr Howell. — Mr President, Mr Gundelach will be aware that I shall be spending some time of my career in this Parliament talking about milk. We have, indeed, a sorry state of affairs which has dogged the common agricultural policy for some time and my Socialist friends opposite by no means have all the say in disagreeing with the common agricultural policy.

Ever since the common organization of the market, Mr Gundelach, the situation has been one of surplus in the dairy industry. We have seen the Mansholt report, the memorandum on improvements to the common agricultural policy, the stock-taking document, the communication on that document, the milk action programme — every one of them has been a failure in that the production of milk is still going up at something like 4% a year and the consumption is static. You have, sir, I think, tried everything in the book to resolve it. We have seen the co-responsibility levy used quite wrongly and to absolutely no effect; we have seen problems of skimmed-milk powder; we have seen butter sold to Russia; we have seen subsidies to institutions — to the armies, to the air forces, to the hospitals. In every way you have tried to resolve the situation of surplus butter production.

Now, I disagree with my friends that we should stop selling to the Russians. That does not worry me. Quite frankly, if we have got it, let us get rid of it to the highest bidder. We have got it, and the problem is the surplus.

I want to be constructive, Mr Gundelach, and commend to you two reports — one of your own, COM 78/433, and a European Parliament working document, Doc. 115/79. There you will find a constructive suggestion for resolving the situation, that of quotas, and I raise that quite unreservedly today as a solution that has not yet been tried. You, sir, have tried everything. You have not tried quotas. May we now ask if you will look into the matter of quotas as a means of putting an end to surpluses in the dairy sector and thereby also to the necessity of having to export at subsidized prices in the first place?

President. — I call Mrs Le Roux.

Mrs Le Roux. — Mr President, on behalf of the French communists and allied Members, I want to put on record our astonishment at the content of the questions by Mrs Castle and Mr Balfour.

Consideration of the figures relating to butter exports from the EEC shows their arguments to be unfounded. Between January and May 1979, 67 000 tonnes of butter have been exported to the USSR, including 8 000 tonnes from France. The conditions for the exports to the Soviet Union from France were the same as for other EEC countries. In 1978, 20 000 tonnes of butter were sold to the Soviet Union at a price of 200 million francs while sales of subsidized butter to other countries over the same period totalled 613 000 tonnes to a value of 2.3 thousand million francs. In our view the disparity between these two figures completely undermines the arguments put forward by Mrs Castle and Mr Balfour.

I should like to remind them — if they need reminding — that Britain imports butter on a massive

Le Roux

scale from New Zealand: 120 000 tonnes in a single year with, I would also remind you, the special permission and assistance of the Commission and in complete disregard of Community preference — this at a time when milk producers, especially small family farmers in France, are seeing a regular fall in their purchasing power.

Nor do we find any mention in our colleagues' questions of massive imports of margarine, in particular from the United States. Perhaps they do not wish to displease the multinational companies that sell this product. The fact is that the EEC countries which produce an average of 1 800 000 tonnes of butter each year import, at low prices and practically without tax or customs duties, some three to four times that amount of vegetable fats.

Why do we not hear any criticism of these imports and why are no taxes levied on them? The French milk producers have to pay a co-responsibility levy in respect of milk powder surpluses for which they are not responsible since France has only 6 000 tonnes in stock while 33 000 tonnes are stored in the Federal Republic of Germany. What is more, attempts are being made to stop the French producers selling their stocks to countries outside the Community. Why then do we not begin by looking into the reasons for this surplus and seeking solutions to it?

The whole common agricultural policy favours American exporters by allowing them to supply massive quantities to the EEC and the recent Tokyo Round agreements will make this situation even worse. Moreover this policy is encouraging countries with strong currencies to produce increasing quantities of milk to the detriment of countries like France which have a traditional dairy industry; the monetary compensatory amounts are having this effect, and the latest revaluation of the DM will make matters worse.

We note the convergence of views between the latest statements by Commissioner Gundelach who wants to limit guarantees to the producers and those by the authors of the two questions.

I want also to make an indignant protest against the way in which Mr Balfour and his friends contest the right of one country to trade with another on the pretext that their ideologies are different. That in our view is a strange approach to national independence and international cooperation. We claim the right of each country and people to dispose of its own resources and production as it thinks fit.

At a time when surpluses weigh heavily on the economies of our countries how too can we forget that thousands of families in Europe and elsewhere are being deprived of a product which plays an important part in a balanced diet?

Finally, Mr President, I turn to the French Government and its representatives in Strasbourg to express

my surprise at their lack of reaction to this new attack by the Commission on our dairy production potential. Their silence appears to condone the attack.

President. — I call Mr Davern.

Mr Davern. — Mr President, the appearance of questions such as these on the agenda of the Parliament is now becoming a regular feature. Indeed, the tone and regularity of these questions seriously tempts one to question the sincerity of Members. One is more inclined to think that they are inspired by an opportunistic attempt to get publicity in certain national papers. Time and time again, the situation which leads to the exports of butter to third countries — and not just the Soviet Union — has been explained both in the House and in the national media by the Commission and by many other authorities. Why the situation once again has to be explained requires an explanation in itself. In fact, the authors of the questions have been very selective in their product, when we consider that the same objections have not been raised by these people to the sale of ships from very heavily subsidized yards in Britain. Also, if there is to be a political consideration here as to the ideology, then it is interesting that the same country exports technological goods which can give a far greater advantage to Russia than any others.

After all, what is taking place here is a normal market transaction perfectly within the rules laid down by the common agricultural policy for dairy products. There is no under-the-counter aspect to this practice of exporting the butter surplus with the assistance of refunds. Unfortunate though it is, the Community has to export its butter surplus, and this method of exporting with refunds has proved to be the best way of selling the products. The suggestion that EEC consumers should be sold surplus butter at cheap prices is neither practical nor economical: it would cost far more than the export refund system, and what is worse, it would totally undermine the established butter market and destroy the incomes the farming community has only recently begun to enjoy.

The export of butter to Russia is nothing new. Trade with Russia is not original. In recent times — and we are aware of this — it has been growing fairly dramatically. Indeed, those Member States whose politicians are now raising a hue and cry over the sale of butter to the Soviet Union are themselves substantial exporters of industrial goods and advanced technology to the Soviet Union. I would like to remind those politicians that such exports are being carried out with the assistance of export credit on give-away terms. I think that, if they bothered to study such exports, they would find far greater reason to raise objections and demand explanations.

Davern

My group is in favour of maintaining the system of export refunds as one means of reducing the butter surplus which exists at the present time. We do not feel there is any reason to discriminate against exports to the Soviet Union, as against exports to any other third countries. At the same time, I would advocate the sale of butter at reduced prices to consumers in the EEC, in particular to the less well-off members of society. We have advocated such subsidies in the past, and we are happy to see that Member States avail themselves of EEC subsidies to give cheap butter to our older and less well-off citizens. The real solution, however, is to eliminate the surplus of butter that exists within the EEC. Towards this end, we firmly believe that the massive imports of butter on special terms from New Zealand be controlled and eventually eliminated. While we are taking about 67 000 tons, we are importing 120 000 tons from New Zealand. It is only by doing this that a proper balance can be achieved on the EEC's internal market. I feel that if Parliament addressed more of its energy to achieving the elimination of these imports — and remember, the EEC itself is the largest importer in the world of agricultural goods — rather than trying to frustrate the long — established method of export refunds, we would achieve a better equilibrium in supply and demand in butter in the EEC.

President. — I call Mrs Cresson.

Mrs Cresson. — I noted with surprise the question tabled by the Conservative Group on butter exports to the Soviet Union. Once again a fundamental problem, that of dairy surpluses, is being approached from a curious angle — exactly as has happened on the subject of armaments.

I want to make a number of observations. First on the way in which this question has been put and then on the substance of the matter. It is shameful and derogatory to attempt, as the conservatives do in the wording of their question, to distinguish between countries which deserve to receive surpluses and those which do not. We see just how far these distinctions are taken when we remember that Chile under the Popular Union Government did not apparently deserve to receive grain supplies whereas the Chile of Pinochet began to receive such supplies immediately after the *coup d'état*. Then we have seen an experienced member of the Committee on Agriculture, its present vice-chairman and former chairman, Mr Cailavet, express astonishment at the lack of consultation of the Assembly on these export operations. It is difficult to see why he should be surprised if you take the trouble to find out how these commercial export operations are effected.

But since this is a serious subject let us try to be serious. The Community does not deal in guns but it does deal in butter. There are surpluses. Should they

be held in storage or sold at the market price? According to the experts themselves the latter solution costs 40 % less than the former; that is a financial problem. Then there is the political aspect: are we as a Community to remain absent from certain major markets? Are we to allow the United States to sell their grain (they exported 11 million tonnes between January and August 1979 and let no-one tell us they do not subsidize these exports) while refraining from doing the same thing ourselves with butter? How much butter do we in fact export? 150 000 tonnes or thereabouts in the first six months of 1979, including 67 000 tonnes to the Soviet Union. But in 1979 we are also importing 120 000 tonnes from New Zealand. We have imported 625 000 tonnes from New Zealand since 1974 and the expenditure on refunds vastly exceeds the cost of the refunds granted to the operators exporting to the Soviet Union.

Those brief observations serve to underline the complexity of the problem. The common agricultural policy — which is now deadlocked because of a liberal trend which is at the origin of increasing regional disparities and considerable problems for the small and medium-sized producers — must be adapted in such a way that it works towards the objectives laid down in the Rome Treaty. The only solution is to place a ceiling on aid to each farm holding, having regard to income levels and regional disparities. If a liberal system exists side by side with price support, all that happens is that the big farmers grow rich at the expense of the small producer. The duty of this Parliament will be to rethink the common agricultural policy. But the fundamental debate which is necessary cannot be opened through questions of the kind tabled by the Conservative Group. A detailed reappraisal is called for, taking into account social factors, employment and regional development. If it is to live up to the hopes placed in it in the past, the common agricultural policy which is a cornerstone of the Community, must be discussed in all its aspects. That is why the socialists have called for and once again call for the convening of a new Stresa conference.

President. — I call Mr Clinton.

Mr Clinton. — Mr President, I find it extremely difficult to understand the attitude of some Members of this Parliament who are raising such objections to the export of surplus butter to Russia. This, as we know, was a perfectly normal and legitimate sale, privately arranged and using the normal refunds available to anybody who is able to find an export outlet — and we all know the difficulty there is in finding sufficient export outlets for this particular product. As I see it, the Russian importers are doing us a favour in providing an outlet for a product that costs the Community taxpayers more the longer we retain it in

Clinton

storage. If we can save expense by selling now, why not sell to whoever happens to be the customer?

Mr Gundelach is under pressure to have an export policy. Yet immediately he makes arrangements by the provision of refunds or other means to facilitate sales, there is unreasonable outcry and criticism. I may say this is nothing new, because I well remember how his predecessor Mr Lardinois was treated in exactly the same way.

If we are to have a guarantee of a sufficiency of food products, it will be necessary, in my view, to carry some surpluses at all times. It is imperative that we develop a sensible, worthwhile export policy if farmers' incomes are to be maintained at an acceptable level. I am thinking particularly of the income of the smaller dairy farmer.

Since my return to European politics, I am saddened to see an organized campaign against the common agricultural policy; that, as I see it, is what is behind this entire question today. Every opportunity has been seized upon to emphasize the cost of price-support for agricultural products. We have now reached the point where farmers are being advised to make the minimum use of their land resources, because almost every product is being declared to be in surplus. If this mood continues for long, we shall rapidly return to the type of subsistence farming that at least some of us have seen too much of in the past.

Are we being consistent when we raise such serious objections to sales of butter to Russia, while at the same time there is no objection whatever to the export of industrial products and all sorts of technological equipment to the same country? At least the Russians cannot shoot us with butter. And it is well known that the British have been exporters to Russia — indeed, under conditions that we have heard something about already this afternoon. If we set out to get an emotional reaction to sales of agricultural produce, why not a similar emotional reaction to all other sales? I feel that Mr Gundelach is to be congratulated on the progress he has made in a comparatively short time in developing an active export policy. By continually drawing attention to surpluses, we are sapping confidence in the agricultural industry. I hope that our export efforts will before long reach a point where surpluses will be causing the Community little worry. And if we are to make the maximum progress, we shall have to drop our prejudices and our opposition to exports to certain areas of the world.

May I say that an expression of outrage comes very badly from British speakers, whose country, as it has been said, imports no less than 125 000 tons of butter annually from New Zealand and is adding this amount to the surplus.

And here we have people throwing up their hands about surpluses in the Community. I do not think

that they care a damn where the butter goes; it is a siege upon the common agricultural policy, upon the small dairy farmers of the Community, and nothing else. And it has been done, in my view, extremely irresponsibly.

We will always have some surplus, I hope, because that means that we will always have sufficient. I think it is the job of the Commission to try and balance things to the extent that they can, but all of us have to be concerned about farmers' incomes; otherwise we shall be providing them with supplementary income, thus robbing them of everything that they have in the way of dignity and independence. Who wants it done in this way?

This is a much bigger question than a simple matter of exports of butter that would otherwise remain in storage, costing us money to keep it further in store. Because it has been exported now, we have this big scene. I think it is an artificial scene, and it should be seen for what it is.

President. — I call Mrs Weber on a point of order.

Mrs Weber. — (*D*) Mr President, ladies and gentlemen, I have been listening now for two hours to the debate on this admittedly important item on our agenda and I must say that I am rather shaken by it all. I thought we had all set ourselves the objective of becoming a political Parliament which discusses policy; I thought we had decided to show restraint in dealing with questions. The disproportion between the time set aside for example for our budget debates — six hours in all — and the debate which has now been continuing for over two hours on this one question is such that we do not seem to be living up to the aims of this Parliament. Would it not be possible for the groups to cut down the number of speakers on a single question; after all we have a very full agenda with many others questions with debate and we are all interested in the discussion of them. I appeal for brevity now so that we can move on to the other items and also follow the budget debate with the seriousness it deserves.

President. — Mrs Weber, I have already appealed several times to speakers to bear this in mind, and I have the impression that my appeal has not been ignored.

I call Lord Douro.

Lord Douro. — I signed my friend Mr Balfour's Oral Question because I have no doubt that this is a matter of the greatest importance to my constituents. Our job as elected Members of the European Parliament is to make the Commission and the Council more sensitive to public opinion. That there is a surplus of butter in the Community is well known; that export sales at one-third of the Community price are taking place at a time when many consumers are switching to marga-

Lord Douro

rine because of the high price of butter, is incomprehensible to many people; when those sales are of fresh butter, while old butter remains in storage, then the electorate is stupefied; when the sales are made to a hostile country, then the whole concept of the European Community becomes discredited.

The problem, of course, must be attacked at both ends so as to reduce production and increase consumption, and that takes time. I am perfectly aware that the Council has not given the Commission all the help it should in reducing the production of milk; nevertheless, a short-term solution must be found to stop this sort of unpopular export sale. So let there be no doubt in the minds of the Commission or the Council that the European electorate will not accept for long this crazy situation. Achievements in other areas will be nullified by this one failure. I therefore hope that Members will support the motion which has been tabled by my honourable friend, Mr Curry.

President. — I call Mr Megahy.

Mr Megahy. — Mr President, I merely wish to indicate the reasons for the British Conservative Oral Question which has prompted this debate, and to attack the double-dealing hypocrisy of the Conservatives in putting it forward. Quite understandably, Mr Balfour, who made the first speech, raised the question of the reaction in Britain to the EEC campaign, and there is no doubt that this question of exporting butter, whether to Russia or anywhere else, at subsidized prices is extremely unpopular, and understandably so, amongst the British people. But when the Conservatives come here and table a question of this kind, which in fact tries to mix up cold-war politics with an attempt to pose as the champions of the consumer, I think they ought to recognize that their own government is speaking with a different voice and that their own leader, Margaret Thatcher, not so long ago congratulated Peter Walker, whose first job as British Minister of Agriculture, was to stab Mr Gundelach in the back, to give way after his predecessor, Mr Silkin, had been fighting very hard for a price freeze here; the very first action of Mr Walker was in fact to increase the butter surplus which is the whole root of this problem. This question of whether or not we sell it to the Soviet Union is not the issue. The issue is, as Mr Gundelach stated, that if we have surpluses we have got to get rid of them, and we shall not deal with this question by vetoing exports to the Soviet Union, which in fact is the country that takes the greatest supply of butter. So I want to make this point that when the Conservatives — and I understand the members of the present Conservative Group were chosen for their Europeanism, which means in fact their past support for the kind of system that gave rise to the CAP that we have got at the moment — table a question of this kind and pose as the champ-

ions of the British consumer, then I think their claim is so hollow that it will be exposed for the sham that it is.

President. — I still have eleven speakers on my list, all of them belonging to the same group. I appeal once more for the utmost brevity.

I call Mr Hopper.

Mr Hopper. — Mr President, I shall be inhumanly brief. I believe that the sale of cut-price butter to the Soviet Union should cease. I may differ from some of my colleagues in that I believe the sales to be part and parcel of the common agricultural policy in its present form. It appears to me doubtful whether the Commission can bring them to a halt without altering the nature of that policy.

I also believe that the nature of that policy should be changed. Wherever prices are fixed by decree and not in accordance with supply and demand, there are inevitably shortages or surpluses, and since a shortage of food is unthinkable it is inevitable that the pricing of foodstuffs by decree will be such as to result in substantial surpluses.

One frequently hears that the agricultural policy is the only working policy of the European Community: Mr Delatte said so very eloquently this morning and Mr Gundelach told us that the agricultural policy was the pillar of the Community. I believe that this argument should be tested to intellectual destruction. There is one other major policy which operates in the European Community and is considerably more successful than the agricultural policy: I am referring to the original purpose of the Community — namely, the creation of a common market in goods and services, people and finance. It is the common market that is the pillar of the European Community.

This brings me to the nub of my argument, Mr President. There is an ambiguity in the very heart of the European Community. It is to be found in embryo in the Treaty of Rome. On the one hand, the Community sets out to be a free market-place designed according to liberal economic theory in which cartels are illegal. This philosophy originated in the city of Manchester, which I have the honour to represent in common with two other Members. On the other hand, we have the common agricultural policy. This governs the largest industry in the Community; it is the largest cartel in history, the largest cartel in the world today, the largest cartel outside the Communist states. Agricultural prices are fixed not by consumers and suppliers but by politicians and civil servants.

Mr President, the principles on which the agricultural policy is based are totally contrary to the principles on which the common market is based. It is doubtful whether both can continue to operate side by side. I would venture to suggest that the agricultural policy, if

Hopper

it is not soon reformed, will simply collapse under the weight of its own total inefficiency, its financial corruption and its increasing costliness to the consumer and the taxpayer.

(Applause)

President. — I call Mr Beazley.

Mr Beazley. — Mr President, the sale of excessive stocks of butter to the USSR is an old story and the only thing that is new about the present proposed sale to the USSR is that it comes before this Parliament, which, for the first time, has been elected by universal suffrage. I would associate myself with the views expressed by my group and I will therefore not repeat the arguments made, except in two points.

We would like to say that this group is not taking a different position today than it took at the time of our election. I do not wish to make any party-political points about it other than to ask those who think otherwise to read the statements made by us that time. We believe that we represent all our constituents and it is in that interest that we speak.

I would therefore like to say that I do not think we can accept that such surplus stocks should be disposed of at any price, and I believe my constituents would in fact prefer that the product be given away to needy members of the European Community rather than be disposed of at any price. That is probably not a practical consideration, but do not, please, let us confuse the issue with Russia and with prejudice about sales of agriculture as compared with sales of industry. I believe we have a Community that can work together. The problem with industrial sales is that they are made by countries that cannot work together. Therefore I would submit, Sir, that the correct thing is to change the policy which is causing us our problem now and not to sell products at any price.

President. — I call Mr Seligman.

Mr Seligman. — Mr President, in the interests of brevity I have decided to opt out of this debate, but I would like my speech to go on the record. In all other respects I am opting out to save time.

President. — I quite understand your request and am very grateful for your cooperation, but I do not think that the Rules of Procedure allow us to include in the Report of Proceedings a speech that has not been delivered. I am afraid that I shall have to disappoint you in that respect.

I call Mr Hord.

Mr Hord. — Mr President, I just want to make one point to the Commissioner. When he addressed us earlier, he said that one of the principles upon which he worked was that there should be no political discrimination, and I would suggest that this is fundamentally a political issue. I think that we should

remind ourselves, if not Mr Gundelach, that this very Community is political and that we discriminate against Russia and other European states who do not promote a democracy in the way in which we feel it should be. And I believe, Sir, that we in the same way should discriminate in trade, and particularly when we are discussing subsidized element in butter or any other thing.

President. — I call Mr Jackson.

Mr Jackson. — Mr President, I shall nevertheless speak in this debate and continue along the *via crucis* of the European Democratic Group, because I want to make a point which I think is new and is original and is important. I would beg this House not to regard this debate as, in the phrase of somebody who spoke earlier, a 'British offensive'. It is not a British offensive, because it deals with a problem which goes very deep, which is common to all of us and which is very important to us in this House.

Let me explain why I think that is so. Of course, the Commissioner is right when he says that subsidized butter sales to the Soviet Union are a symptom, a by-product of the underlying surplus of milk products which exists in the Community. The question of New Zealand imports is relevant here, but it does not add up to the whole story: there is a structural surplus of milk products in the Community and that is a fact.

The basic question we have to ask is, who is responsible for this surplus? Who is responsible for the surplus which gives rise to these subsidized sales? And the answer is that we in this House share a large part of this responsibility, because the fundamental reason why there is a milk surplus is that there is a lack of financial and budgetary discipline on the agricultural ministers. As has been said, they have an open-ended purse with which to finance any price decisions they may care to make. Now, who constitutes the budgetary authority in the European Community? It is not the Commission, it is not the agricultural ministers. Ladies and gentlemen, Mr President it is this House, jointly with the Council of Finance Ministers, that constitutes the budgetary authority of the European Community.

We are therefore ultimately responsible in this matter. So far we have not sought to use our budgetary powers to impose any financial constraint in the so-called compulsory sector of expenditure where agricultural spending lies. Well, I believe that we ought to consider making use of those powers. I suggest that we should begin to consider that now. I hope that there will be no opposition from any part of this House to a use of our powers to impose this kind of budgetary discipline, because it is only when we have done so that we shall be able to look the Commission in the face and honestly denounce it for carrying on these sales to the Soviet Union in the way that it does.

President. — I call Mr Battersby.

Mr Battersby. — Mr President, I would like to come down to nuts and bolts. I consider that we, in this Chamber, should give every possible support to Mr Gundelach in establishing an effective and efficient licensing system and also in establishing, immediately, an effective and comprehensive information and reporting system so that he can do his job in the way we want him to.

President. — I call Lord Bethell.

Lord Bethell. — Mr President I would like to say a word to those who have spoken in this debate, pointing out that there is, indeed, a serious difference of view, a conflict of interests between various parts of the Community and ourselves, and to indicate that there really is a serious political point to this argument. We would not be speaking in the tone that we have, Mr President, were it not for the fact that our constituents have begged us to do so in hundreds of letters to each person. So if we speak, it is because we are following public opinion in this matter. Therefore I would beg your indulgence for having detained you for so long.

The second point I would like to make is that there can be no doubt that the existence of structural surpluses is a worrying factor which is aggravated and made more unacceptable to public opinion in certain parts of the Community by exports to the Soviet Union. You can say what you like about discrimination and the cold war, whatever you like, but the Soviet involvement is a factor.

I could mention two very good reasons why this is the case. One is the refusal of the Soviet Union and its allies to recognize our Community and the fact that our trade with them is done on a one-off basis, very often at the convenience of that bloc. The second is that there is very strong evidence that this butter goes to the East and is then reexported into the Community at a higher price, of course, than that at which it was sold. Very often the butter does not in fact move; it is only paperwork that moves Eastwards. This is a reason for our concern: it is not irresponsible, it is not hypocritical, it is a genuine worry illustrating the very serious division that exists in the Community on this matter, and it is undoubtedly a subject for serious debate.

President. — I call Miss Brookes.

Miss Brookes. — Mr President, it does appear that the sale of butter to the Soviet Union is unacceptable, particularly, if I may say so, to the British people, if letters of protest are really any criterion for assessing the situation. The recent idea of selling 75 000 tonnes of subsidized butter to the Soviet Union at 25 units of account a tonne, subsidizing it by 76 units of account a tonne and costing the EEC tax-payer 125 units of account, appears to be equally unacceptable. The

burden on the EEC taxpayer is great enough without adding to this problem. If there is a moral case for selling subsidized butter to the Soviet Union, so let it be. If the situation continues regarding milk products, there may be a case for selling butter. But let that butter be sold specifically to retired people, to people on fixed or reduced incomes or to other groups at a much lower rate than it is at the moment. But, to be very brief and to the point, it must be said that selling subsidized butter to the Soviet Union could be regarded as a dishonourable financial exercise *vis-à-vis* the EEC taxpayer and, indeed, a dishonourable act without reservation.

President. — I call Mr Provan.

Mr Provan. — Mr President, I would like to emphasize initially what Lord Bethell said a moment ago about the political problem that we have in the United Kingdom. It is a major political problem that we are referring to, because what is financially beneficial is not necessarily politically acceptable. The Commissioner suggests a licensing system. I would like to suggest to Parliament and to the Commission that we investigate the possibility of a special zone for Russia as regards export refunds. Now this is not new; it is not politically divisive, because the USA is treated as a special zone; and it would enable an export restitution to be fixed at any level. It could be lower or higher than normal, and zoning could in fact be effectively used in any export situation. As I say, this is not political discrimination. We do not want half-baked schemes that will interrupt normal sales and normal export of butter from the Community. We do not want any more red tape. We must maintain the regular supply and the regular trade in exports of butter.

One further point, Mr President: I have been rather disappointed with the references made to New Zealand and the British situation *vis-à-vis* New Zealand. When we entered the EEC, the situation was well known: the Community accepted the UK as a member just as we accepted the Community when we joined. I would ask Members of this House to bear this well in mind.

President. — I call Mr Newton Dunn.

Mr Newton Dunn. — Mr President about four years ago the Russians suffered a particularly bad grain harvest. So what did the Russians do? They saw that there was a surplus of grain in the United States of America, and they decided to buy that grain to make up their deficit. They bought American grain secretly in small quantities through different outlets at very cheap prices. In other words, the Russians exploited the free market in a very clever and successful way.

How did the Americans react to that? They decided it should not happen again. They announced that future grain sales to Russia would be licensed, and then

Newton Dunn

negotiated a commercial contract with the Russians for grain. The Russians were obliged to pay a fair market price for a minimum of six million tonnes per year of grain. Mr President, if you follow the grain market you will know that this deal is working very successfully.

Now there is surely a lesson for us all to learn, because we in Europe are now being cleverly exploited by the Russians. Today, just as they did to the Americans several years ago, the Russians are buying our butter in small quantities through different outlets, secretly at cheap prices. We should therefore in Europe follow the successful American example. Very simply, the Russians want butter; we have butter; so while we have a surplus of butter, let us make a proper commercial contract with the Russians. It can be done — there will be difficulties, but it can be done — if necessary by using linkage with other industrial products. When we have done that, we shall have removed the major source of complaint which is the extremely low price.

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — Mr President, exceptionally, I will answer in a different language from my own. This is due to the fact that on a couple of points of essence, there would appear to have been a few fundamental misunderstandings, which undoubtedly is due to my poor command of the Danish language. (*Laughter*).

Mr President, the first thing I would like to correct is with Mr Curry, who, having launched some penetrating remarks, is no longer with us, which is saddening. I would like nevertheless to answer that his criticism that the Commission has not executed its responsibilities of consultation, etc., with Parliament is totally unacceptable. Reference has been made to the Cheysson commitment which was given to Parliament owing to the fact that the then Commission had made a special deal in 1974 for the sale of a fixed quantity of butter to Russia at a refund which was considerably lower than the normal refund of the Community. This led in the discussions between the Parliament and Mr Cheysson on behalf of the Commission — he was responsible for butter then — to a promise that Parliament would be consulted if any new deals of this kind, obviously important from a budgetary and political point of view, were being concluded. No such deal has been concluded, or considered in any shape or form. Consequently, the consultations promised by Mr Cheysson would not be appropriate in the present situation, where no political deals or acts have been undertaken. Further, in order to err on the safe side I have followed the practice of informing Parliament when there was any question of prefixing the level of subsidies which could influence sales to Russia. But since no such prefixation has been either

asked for or given in the course of this year, that question does not arise in regard to Parliament either. Consequently, our commitment has been fulfilled for the simple fact that what is happening is that certain specific sales on an *ad hoc* basis are taking place at the already existing export refund, which have been known to Parliament all along.

Mr Tolman was asking me why I was vague about the figures at all, Mr Tolman. I said exactly how much had been exported to the Soviet Union up to the end of August. I do not want to take Parliament's time by repeating it, it can be read in the 'Rainbow' edition. I do not have the figures for September, nor do I have a crystal ball to gaze into the future. I think that is a mistake, I think we have too little knowledge. That is why I want to go back to the system of export licences such as we introduced in similar circumstances in the spring of 1977, but this time on a permanent basis. I do believe that this debate, if it serve no other purpose, will assist me greatly in the discussion with the appropriate organs of the Council to get this introduced now, next week, on a permanent basis. It is only then, Mr Tolman, that I will know what is happening and be able to report accordingly to the Parliament so that further discussions on policy lines can take place in Parliament. It furthermore will allow me to judge the market in a way which will permit me to suggest the level of export refunds in a more realistic manner and, as I said in my first intervention, in a manner which would be less costly than is the case today; because I do believe that they are on too high a level, and that is not without importance.

I would also like to say to Mr Tolman that there we are moving into the fundamental issue of the dairy policy and structural surpluses, which I continue to consider to be the essence of this matter. I did not have a conflict with the Council of Ministers as such. In actual fact, my proposals concerning the milk policy were supported by seven, at least, of nine ministers in the Council. I cannot consider that to be a conflict between the Commission and the Council, but obviously there is still some distance to be travelled to convince the Council, which has to be unanimous under our rules. Here I am soliciting the support of this Parliament, which, as Mr Jackson rightly said, is co-responsible to the public, because we have a budgetary responsibility.

(*Cries of 'Hear!, hear!'*)

If you do not give us that in regard to the kind of agricultural policy we are executing, you are co-responsible in a different manner.

But, of course, an adaptation of the milk policy to new realities is no easy task, since, as I have said many times previously, hundreds of thousands of farmers are depending on this particular type of production, and, for a great number of them at least, no alternatives are available.

Gundelach

But let me say that it may be a little bit less difficult than that : 33 % of our milk farmers are producing no more than around 10 % of the total output of milk, and that share is stable or sinking. Obviously, there is no question of trying to penalize those producers who are earning a livelihood with a level of production which is not contributing to the milk lake. The co-responsibility which we are taking about is a way, not of penalizing the producers, but of giving a choice to those producers who are more productive because they are importing soya, or because they have an industrial type of production, or because they are in a very beneficial geographical climate. If they want to continue to increase their production, there must come a point where the Community says : here is the level for which we will be financially responsible. That is not penalizing ; it is saying to the most productive : if you want to go on producing because you think you are sufficiently productive, then do so ; good luck to you, but our financial responsibility must stop somewhere. It must stop where we are protecting those who have no alternatives, and where we are maintaining family farming. For those who are more productive, let them go ahead, but it can't be on the basis of an open-ended guarantee from the Community. It is not a question of penalization. It is a question of economic horse-sense and no more.

I would also like to say to Mr Debatisse — who unfortunately is not with us either or I would have answered him in French — that when I referred to the Soviet market as not being a permanent feature in our milk policy, it was because a glance at the figures will demonstrate that they are an incidental buyer. There are years when they don't buy a kilo of our butter, there are years where they buy some in other parts of the world, and there are years when they are interested in buying from us. It would obviously be folly to establish an agricultural policy, a dairy policy, on the basis of a Russian market of this nature. I think his concern is based on a misunderstanding. On this point I did not give a political assessment, but I pronounced on what is the state of the markets, the true expectations we can have, and issued a warning against the illusion that there is a market which can miraculously solve all our problems ; it is not so, and if we believed that, I am afraid we would enter into a kind of dependency on Soviet Russia which I would not like to see developing either from an economic or from a political point of view.

Mr President, this debate has clearly demonstrated the importance of the question which has been posed, but also the differences of view which exist. On the question of conducting our trade policy, be it for industry or agriculture, on other bases than we do today, I have made my position clear in the previous part of the debate, I do not want to repeat it. Speaking on behalf of the Commission, I am therefore unhappy about the paragraph of the motion for a resolution before us

which deals with that specific question, which I think is a broader issue than the one we are dealing with in agriculture.

Even so, I believe, despite the differences of view which have occurred in this debate, that it has nevertheless helped to bring the forefront of our minds a basis for future discussion on the right lines for common agricultural policy which is the responsibility of Parliament, Commission and Council. It is still a cornerstone in the Community and it is linked with the free movement of goods. Why ? Because the establishment of free movement of industrial goods and services was politically and historically contingent upon the same happening to agriculture, on the condition that the existing national protectionist measures were replaced by a common agricultural policy. A common agricultural policy with the right mechanisms is quite sensible, even natural ; it all depends on the level at which you fix your prices. If you fix your prices at a reasonable level, it is a reasonable policy. If you put your prices at an unreasonable level, it is an unreasonable policy.

This is a political subject which has to be dealt with by political decisions. It does not go against the concept of the development of a free market, which is working fairly well for most agricultural goods — take a look at trade statistics for the movement of goods on the internal market ; but it is the responsibility of the Community institutions to get it to work, and in all frankness I do not believe in any new Stresa conferences. I do believe that adjustments have to take place, they always have in life, and they have to go hand in hand with other parts of economic policy in the Community : but I do not believe in magic wands, neither in the form of Mr Howell's quotas, which I know I shall hear about as long as we are both in the same room, but which I do not believe in either. Nor do I believe in the special conferences, because they just lead to even more confusion. I do believe that those who are directly elected to be responsible for the development of the Community must take the necessary political decisions, and I shall provide you with the proposals necessary to enable you to take those decisions.

(Applause from the right)

President. — I call Mr Curry.

Mr Curry. — Mr President, I was not here when the Commissioner opened his remarks, and I apologize to him for that, but as soon as I saw his name up in the lights, I did of course do him the courtesy of coming back to hear what he was going to say, as I hope I shall always wish to do.

President. — The debate is closed.

I have received from Mr Curry and Mr Howell, on behalf of the European Democratic Group, a motion for a resolution, with request for an early vote,

President

pursuant to Rule 47 (5) of the Rules of Procedure, to wind up this debate.

I shall consult Parliament on this request for an early vote at the beginning of tomorrow's sitting.

I now propose that the sitting be suspended for 15 minutes. At this moment, the President is consulting the chairmen of the political groups on the procedure for this evening so as to ensure that the debate on Community armaments procurement programmes within the framework of industrial policy can be held this evening and concluded within a reasonable space of time.

It may well be that we shall not deal this evening with Items 18 and 19 on the agenda.

This sitting is suspended.

(The sitting was suspended at 6.50 p. m. and resumed at 7.10 p. m.)

IN THE CHAIR : MRS VEIL*President*

President. — The sitting is resumed.

9. Agenda

President. — After consulting the chairmen of the political groups, I propose to the House that we defer to the end of the sitting of Thursday, 27 September, the oral question to the Commission, with debate, on the Italo-Tunisian bilateral fisheries agreement and the oral question to the Commission, with debate, on freedom of trade within the Community, which are on the agenda for this sitting, and that we proceed immediately to the oral question to the Commission, with debate, on Community armaments procurement programmes within the framework of industrial policy.

Are there any objections?

I call Mr de Pasquale.

Mr de Pasquale (I). — Madam President, I want to stress the need for the question on the bilateral Italo-Tunisian fisheries agreement to be discussed during this part-session. It is a very serious problem and a very disturbing situation; if the debate were postponed to the next part-session that would make a very unfavourable impression on Italian public opinion.

President. — I call Mr Gundelach.

Mr Gundelach, Vice-President of the Commission. — Madam President, it is not for me to intervene in the discussions of the Parliament on this item, but I must say that, unfortunately, there is a Council meeting on Thursday which requires my presence. The consequences for agricultural policy of the devalu-

ations and revaluations of last Sunday are to be debated upon, and the debate cannot take place without the presence of the responsible Commissioner. Consequently I cannot reply on Thursday to the debate on Italian fishing in Tunisian waters, for which I am directly responsible as well, not only as the Commissioner responsible but also as the one who is actually carrying out the negotiations. I had hoped to be able to make available to those who have put the question all necessary information on the matter as it stands today, and pursue the debate at the next part-session of this Parliament. Moreover, a major delegation from the Community will be in Tunis over the next eight days and more information will be available at the next part-session of Parliament.

President. — I call Mr Spicer.

Mr Spicer. — Having heard the points made by Mr Gundelach, I would not wish to speak on this matter. I think it is vitally important. In this Parliament over the years we have on many occasions had a situation where another Commissioner has answered on matters with which he was not directly concerned. It never produces a very satisfactory result, but I am not Italian and this is very much an Italian matter. However, I do hope that my colleagues will accept the view put forward by the Commissioner.

President. — I call Mr Lima.

Mr Lima. — (I) Madam President, I want to associate myself with Mr de Pasquale's argument because I feel the matter to be very urgent — particularly for Sicily — and because I do not think it need take up much of our time. I therefore propose that the question should be debated immediately.

President. — I call Mr Klepsch.

Mr Klepsch. — (D) Madam President, in view of the insistence of some Members of this House I propose that this item be placed on Friday's agenda. I am very sorry, Mr Gundelach, as I too would have felt it preferable to hold it over to the next part-session. Let us therefore place it on the agenda for Friday and hope, as our colleagues have said, that it will not take too much time.

President. — I call Mr Romualdi.

Mr Romualdi. — (I) Madam President, I support those Members who have asked you not to postpone the debate on the oral question concerning the bilateral Italo-Tunisian fisheries agreement. This is a dramatic problem: every day sees extremely serious incidents even with military intervention against the fishermen, and it is therefore imperative for this question to be debated immediately even before the Commission meets the Tunisian authorities to find a solution to this grave problem.

President. — I call Mr Gatto.

Mr Gatto. — (*I*) Madam President, I too want to stress the need for the oral question with debate tabled by Mr de Pasquale and other Members to be discussed immediately; in explaining the reasons for my request I should like to refer to the remarks made by the Commissioner. Since negotiations are in progress we need to discuss this issue before they are taken further. We are indeed in an extremely difficult, even dramatic situation: today there is a general strike in Mazara del Vallo. 23 Sicilian fishermen have been in prison for a long time in Libya and it has not been possible to obtain their release. Then there is the problem of relations with Tunisia and, as the Commissioner is well aware, there are more general problems in the Mediterranean area. For all these reasons we insist on an immediate debate.

Président. — I call Mr de Pasquale.

Mr de Pasquale. — (*I*) Madam President, I associate myself with the speakers who have stressed the need for this question to be debated this week during the present part-session. Since you are able to guarantee that I declare my full agreement with your decision and urge Mr Gundelach to be present at the debate if he possibly can.

President. — I note that there are no objections to deferring the oral question on trade within the Community (Doc. 1-289/79) to the end of the agenda for Thursday's sitting.

That is agreed.

The oral question on the fisheries agreement (Doc. 1-299/79) is another matter. I therefore put to the vote the question whether we should deal with this matter this evening or defer it to the end of the sitting of Thursday, 27 September, or, if it cannot be dealt with then, to the sitting of Friday morning, 28 September.

The oral question is deferred.

10. Community armaments procurement programmes

President. — The next item is the oral question to the Commission, with debate, by Mr Fergusson, on behalf of the European Democratic Group, and Mr von Hassel, on behalf of the Group of the European People's Party (C-D Group), on Community armaments procurement programmes within the framework of industrial policy (Doc. 1-300/79):

Will the Commission report whether they intend to have discussions with the North Atlantic Treaty Organisation and appropriate organizations in Member States in defining Community armaments procurement programmes within the framework of industrial policy?

I call Mr Fergusson.

Mr Fergusson. — Madam President, the storm of publicity raised over the last two weeks by the modest

question put to the Commission by Mr von Hassel and myself, none of it of our seeking or making, on a single but highly important aspect of the common industrial policy must, I think, have been out of all proportion. Perhaps because the question referred explicitly to NATO, the largest arms market that we know, distinguished Members of this House have leapt to the conclusion that although this Parliament is only four months old, we are already trying to engage the Community directly in matters of defence and in deciding how and when and against whom such arms might be used. I hope they will accept at once, from what was said last night, that that conclusion was wrong. This Parliament could not be so precocious. There are no ulterior motives behind our question that would justify some of the fears expressed since it was tabled. For, in its necessarily roundabout way, in effect, it merely asks what has been done about the Klepsch report.

In June last year, when that report was presented, Parliament called on the Commission to submit to the Council in the near future a European action programme for the development and production of conventional armaments within the framework of a common industrial policy. I do not know what in the Commission's view constitutes the near future, all I know is that 15 months have gone by without a word from them. So what is the Commission waiting for? To my mind the core of the Klepsch report came in this short passage from Section VII:

... without the development of a single organized market for the armaments sector, it is hardly possible to imagine how a common industrial policy can be brought into being, particularly in view of the vital rôle that military production and sales play in the aircraft industry, shipbuilding and electronics.

These urgent considerations, Madam President, were most strongly supported by the Normanton opinion on the Klepsch report, which was delivered coincidentally to this House.

Having placed this question, I hope, in its proper context of industrial policy, may I be specific about its basic point? In his statement to Parliament in June last year, Mr Davignon said: 'When the political and military decisions have been taken, the Community can then take the industrial decisions', and the Community decisions, he explained, would be determined by the needs and capabilities of the Community's industrial structure. It goes without saying that the definition of the military requirements of those who would use the arms manufactured in Europe would in no direct way be the business of those who must supply and market them. That is one reason why I have referred to NATO in my question. Within that alliance, it is the Conference of National Armaments Directors and the Military Agency for Standardization

Fergusson

which are the bodies principally concerned with establishing the criteria governing new arms procurement. Close to the alliance, but not part of it, there is the IEPG, the Independent European Programme Group, in which France plays a full rôle, and which strives for a joint European position on arms procurement and a common European approach to the US in the discussion of equipment programmes.

As I have said, like Mr Klepsch and Mr Normanton, I do not expect the Community to work out the criteria for new weapons. These should be fixed by the appropriate authorities in the alliance, or better in the IEPG. But when they have been agreed, the Community itself should encourage and promote specific armaments procurement programmes to encourage the development of such equipment as Member States will find useful to see produced on a joint basis.

Now in any industrial policy the market must naturally be a primary consideration, and once again I refer to a more extreme fear voiced when this question was put down, the fear that the long-overdue rationalization of Europe's armaments would stimulate the arms race still further. But the contrary is the case. Quite apart from the need to structure the Community's armaments industry and to standardize its products, so that the economics of scale in investment and production will be achieved, the overlapping and waste, especially in high technology, can be cut down and our collective competitiveness in those vital high technology industries can be maintained, there is another decisive reason for the action Parliament has called for.

One of the most significant views included in the Klepsch report came from our Socialist colleague, Mr Dankert, who reported to the WEU's Assembly in May 1977 to the effect that the European countries of NATO could provide an arms market large enough for economic production independent of exports to the third world. So the point surely is this: if we do not get together in the matter of arms procurement and marketing, then individual countries such as my own with a high proportion of armaments among their exports are going to need markets in parts of the world where war, rather than peace, is the rule. Indeed, as those markets become saturated, such countries will become less and less fastidious about their choice of client. We see what has happened in Africa and in the Middle East. Who wants to depend for survival on markets as precarious and questionable as these? And if our arms market were to be sustained by the European NATO countries — Mr Dankert's report went on — then exports to third world could be terminated or limited to those deemed to be in the interests of Europe according to a commonly defined external policy.

Now, although I would associate myself with the full implication of that, in respect of the foreign policies

of the Nine and security policies in particular — it is already starting to develop within the framework of European political cooperation — for the present, I merely reserve the right to my friends and myself to return to that subject on another occasion. Today we are only concerned with industry.

The prominent French arms expert, General Cauchie, has recently claimed that there is an adverse balance of about 10 to 1 between American exports to and imports from Western Europe in military equipment. This imbalance has been demonstrated most dramatically by the two enormous *coups* achieved by the Americans in persuading a number of European governments to buy the F 16 fighter as their main combat aircraft, and by the recent massive Belgian order for an American tank. Now you must see where this is leading. The histories of such episodes, of course, illustrate the huge difficulties, which we should recognize, of establishing multilateral rationalization. They account for the scepticism, not to say the exasperation, of many national armaments authorities when urged to cooperate with others, but they also point to a real threat to Western Europe. Unless we manage to structure the European armaments industry through the only body which has the appropriate industrial and commercial competences — the European Community — it will not be long before every military plane and tank sold in Europe and capable of doing what is militarily required of it will be American.

If we continue to pursue rival national arms procurement projects in Western Europe and to divide our limited research and development funds and to fragment our market, then the only commercial winners will be on the other side of the Atlantic. Our advanced technology will fall even further behind and our industrial workers will continue to be thrown onto the most lamentable European mountain of all — the unemployed.

I hope therefore, Madam President, that the Commissioner, when answering the question tabled by Mr von Hassel and myself, will now make it possible for Parliament to assess what the Commission has done to fulfil the positive undertaking made to this House more than a year ago.

(Applause)

President. — I call Mr Davignon.

Mr Davignon, member of the Commission. — *(F)* Madam President, I want from the outset to make sure that there is no ambiguity and no misunderstanding about the role which the Commission intends to play in this matter.

The Commission is the guardian of the Treaty. It would therefore be incomprehensible for it to depart in its attitude from the provisions of the Treaty and

Davignon

from the role given to it by the Treaty. The Treaty as it stands today clearly does not cover defence problems and military strategy which are matters for the sovereignty of the Member States. I do not think that Mr Fergosson's question invites us to pursue a different approach. Having said that, is it not acceptable, legitimate and comprehensible that, in dealing with industrial problems and public orders — after the strategic and political choices have been made — a number of questions should be asked about the purpose of public orders in terms of expenditure and industrial development? The Commission considers this perfectly natural: within certain limits and subject to certain conditions it is altogether normal for the discussion to take place.

I want to remind you of the statement I made on behalf of the Commission just over a year ago on the report by Mr Klepsch. The resolution adopted on that occasion indicated that the Parliament invited the Commission to present at an early date a European action programme to the Council as a component of the common industrial policy. I stated very clearly that the Commission did not feel it could attain this objective at once and that we should conduct a series of preliminary discussions to which I shall return in a moment. Mr Klepsch was kind enough in his reply to the Commission's statement to say that he shared our view; he said 'we have no intention of outlining a detailed course of action to the Commission.' That is how I understood matters to stand.

Does the Treaty in its present form refer to military equipment? When the customs union was set up, the Treaty obviously laid down tariffs for military equipment on the grounds that it was legitimate to safeguard the competitiveness of our industry in order to ensure its development. During the Tokyo Round negotiations, the Commission, acting on a mandate from the Council, negotiated tariff reductions for military equipment. This brings the problem back to its true proportions.

Madam President, now that we are facing one of the most serious crises that Europe has ever experienced and that it is the duty of each one of us, and certainly the duty of the Commission, to ensure that positive action is taken for the development of our industrial capability, how can we draw an arbitrary distinction between electronic systems designed for the guidance of civilian or military aircraft? And how can we make such a distinction in studying the resistance of materials in the context of advanced new technologies for satellites and other vehicles covered by development support programmes and public orders from various countries? As the Commission has often repeated to Parliament, the rule which we must always follow is the need to safeguard the competitiveness of our industry, particularly in relation to the major industrialized countries.

In the case of the United States, to take one example, it is quite clear that their industrial development and a number of their technological successes have been the result of military programmes which have had important civilian spin-off. Can we really wish to exclude, as a matter of principle and without reflecting on the real nature of the problem, similar benefits for our own industry? The Commission does not believe that we can.

A word of caution: when we come to discuss this whole matter let no-one believe that the Commission is recommending as a solution to our industrial crisis the development of military programmes or that we are seeking to solve our problems through a militarist programme. Not at all. As I said just now, it is for the Governments to decide on the limits of our military programmes and for us to take the appropriate industrial action to implement those programmes.

What practical action are we taking? The Commission has carried out studies to determine the precise impact of public orders on the development of various technologies which are useful and necessary for industry in the broadest sense. I think this is an important matter.

Secondly, in terms of efficiency, we must determine how, when programmes have been decided under the sovereignty of the individual States and within their sphere of competence, industrial development can be pushed ahead most effectively for the industries concerned, thus ensuring the fullest possible level of employment and competitiveness.

In conclusion I want to say to Mr Fergusson that we shall make available to Parliament and to its responsible committees, the results of these two studies in the manner which is felt to be most opportune and appropriate. We shall then see how, through discussion with the responsible committee of Parliament and in the general context of our operations to promote technological activities and develop our industries at Council level, it is possible to ensure — this is our task — that European industry attains the level of efficiency and competitiveness which will enable it to employ the largest possible number of persons and hence to contribute to the stability and security of our economy.

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

Mr Glinne. — (*F*) Madam President, ladies and gentlemen, it would indeed be unwise for the new Parliament to limit at the outset its right to deal with important topics. The question is, however, whether arms supplies is one of the subjects which should be in the forefront of our minds at this moment. Is it really appropriate to act precipitately in this matter?

Glinne

Our view is that the industrial sectors requiring real and vigorous action by the Community, and in which its competence cannot be questioned, are first and foremost the crucial sectors now in crisis. Steel, glass, shipbuilding, textiles and other industries are giving increasing cause for concern. Whole regions are experiencing consternation and anger. Tens of thousands of workers made to feel useless turn to us in their distress. They courageously persist in their determination to manufacture useful products. A debate on supplies of engines of death is assuredly, in their eyes as in ours, an improper allocation of priorities.

This Parliament will enhance its standing with the most sceptical sections of public opinion when it gets to grips, imaginatively and intelligently, with the problem of employment, which is the constant concern of so many workers, managers and young people and when it does so by advocating new ways of allocating the labour available and organizing the production and consumption of incontestably useful goods and services.

This leads me, Madam President, to stress the Socialist Group's profound distrust of any proposal which, on the pretext of protecting or encouraging employment, leads to the creation or consolidation in the Community of military-industrial complexes.

Military expenditure is too high everywhere. Last year, the International Institute for Peace Research in Stockholm assessed world expenditure in this field at ten-and-a-half billion Belgian francs. It is likely that it now totals twelve billion that is to say, Bfrs 2 430 per inhabitant of the world. Expenditure on health is Bfrs 1 320 per person — little more than half — and development aid is as low as Bfrs 180 per head.

This frighteningly high military expenditure is undoubtedly at the expense of the fundamental needs of mankind and generates a great deal of inflation. It does not generate as many jobs as some would have us believe. The North American Federation of Engineering Workers recently carried out a study which came to the conclusion that as the military budget increases and the number of contracts grows, jobs in the engineering industry, both civilian and military, decrease.

The arms industry has become highly capital-intensive and puts a sharp brake on civilian jobs in industry and the services sector by absorbing huge proportions of the available public funds. That is why, instead of singing the praises of the military-industrial complexes, our group attaches great importance to the concept of the right to do *useful* work — and I stress the word *useful* — and to the projects undertaken by the trade unions in several areas of the Community for example, the shop stewards' coordination committees at Lucas Aerospace and Vickers in the United Kingdom or the metalworkers in Liège and Charleroi

in Belgium, aimed at a planned phasing-out of military production in regions where this is dominant and encouraging civil production.

Madam President, I want also to stress the scandal of arms exports to the third world; here the Council of Ministers, acting in the framework of political cooperation, should engage in consultations in order to avoid subjecting the poorest populations of our planet to increasingly heavy budgetary strains and charges.

In conclusion, we have nothing to add to what our group said during the debate last June, except that it was certainly unwise to hold a precipitate debate today in this Assembly before the reports about which Mr Davignon spoke have even become available.

President. — I call Mr von Hassel to speak on behalf of the Group of the European People's Party (C-D Group).

Mr von Hassel. — (*D*) Madam President, ladies and gentlemen, I want to begin with a few comments on the Commission's answer. Mr Davignon said that the Commission is the guardian of the Treaty and that we must not depart one iota from the Treaty. On that point we agree with you fully, Mr Davignon. We do not intend to depart from the Treaty and we know full well that responsibilities for the various sectors in Europe are carefully and clearly designed. The Council of Europe has its tasks, the Western European Union, of which I am at present the President, has others: it is responsible for the major sectors of defence, security, armaments and disarmament, and we do not propose to interfere with its responsibilities.

But I want to remind the Commission of Mr Ferguson's points, of our request for information on what the Commission has actually done since Mr Klepsch's report.

The Commission's observations seem somewhat to evade the question we have put. But the report by Mr Klepsch presented a year ago directs its main criticism at what had been done since the Copenhagen conference of 1973. To that extent it is not a matter of eighteen months in the immediate past but of a much longer period.

I want to confirm, Mr Davignon, that we are not dealing here with problems of defence policy. I myself am an ardent supporter of the tasks of the Western European Union, which I would not like to see confused with the responsibilities of other bodies.

But the question we are asking here is in effect saying that part of this whole subject does fall within our responsibility, since the issue of defence presupposes consideration of the coordination of industrial production and the associated research and development in many sectors of high technology, which, as you have said, is important not simply for defence, but equally for the civilian sector.

von Hassel

Ladies and gentlemen, I fail to understand how the selfsame persons who otherwise share my views and the views of my group, can recently have indulged in criticism of our attempts in Europe to achieve cooperation in research and between the major development and production installations in an attempt to avoid a waste of money and ensure that we achieve more with the same funds. Otherwise, gentlemen of the Commission, there is a risk that our research, technological development and indeed our general development and industry in Europe may fail to keep pace with the strength of the United States.

There is no question of our rejecting an industrial programme of military production to overcome a crisis, but the aim of our oral question is to prompt the directly-elected Members of Parliament to reflect on the specific sector for which we are responsible in the European Community under the provisions of the Treaty — namely, research and development, and also the industrial and economic aspect so that in the long run we in Europe have a healthy and viable industry to prevent us becoming dependent on others.

One final word to our socialist colleagues. All of us in this Chamber share your regret that we have to spend money on armaments; we would far rather use the money for the better purposes described by you. But we believe that unless we make our own contribution to defence we shall no longer even have the freedom to talk of finer things.

(Applause)

President. — I call Mr Robert Jackson to speak on behalf of the European Democratic Group.

Mr Robert Jackson. — Madam President, I intend in my very brief remarks in this important debate to concentrate on one theme and one theme only: that is, the competence of this House in respect of the defence matters which underlie and are raised by this question.

In the debate yesterday on the order of business, it was argued most passionately and eloquently by the French Communists and by Mr Debré, whose passion, eloquence and sincerity I salute, that we in this House are precluded by the Treaties from discussing defence and security matters.

Madam President, this is absolutely not so, and whatever we may think about the important questions raised today and the priority that should be accorded to them, I hope there will always be a strong majority in this House to defend its powers and prerogatives and rights for the future. Of course, we all stand firm on the Treaty, but let us be clear about what the Treaty really says. I would like to point out in the first place that the Preamble to the Treaty of Rome speaks expressly of pooling our resources 'to preserve and strengthen peace and liberty'. It also provides expressly in Article 235 for the evolution of the Community into new areas of activity. Thus the

Treaty is both an evolutionary document, reflecting what we all hope to be an evolutionary reality, and also a document that refers explicitly to 'peace' and therefore, security considerations.

Secondly, let me draw the attention of those who dispute the House's competence in these matters to the fact that Article 142 of the Treaty of Rome clearly provides that the Parliament may draw up its own rules of procedure. This Article 142 defines the scope of the powers of the European Parliament, which is referred to in Article 4 (1), where it says very clearly that each institution shall act within the limits of the powers conferred upon it by this Treaty. It is on this basis that Rule 12 of the Rules of Procedure of our House makes it clear that no subject-matter or area of policy is excluded from debate if Parliament decides to debate it. It is, of course, on this basis that the European Parliament has, over the years, debated an increasingly wide range of questions in the fields of foreign policy, security and defence. Furthermore, Madam President, it is a striking fact that whereas the Treaty of Paris expressly provided in Article 38 that the Court of Justice might declare an act of the Assembly to be void, there is no equivalent provision in the Treaty of Rome. This was a deliberate omission, and its effect is to establish that there is no authority in the Community legally competent to restrict our field of debate.

However, Madam President, this question of competences cannot be discussed only at the legal level; it is also a question with an important political dimension, which is given to it by the Community's aspiration, as set forth in the Treaties, to ever closer European union. Now, the fact is that this, aspiration to European union is not an aspiration of this House only, although we are here as directly-elected representatives of the peoples of Europe and that is a very important new fact in Europe's situation. It is also an aspiration that is shared or has been shared by the governments of the Member States that created the European Community. It is they, for instance, who have instituted the system of political cooperation, itself a system outside the Treaty and with no institutional restrictions upon its sphere of action. It is they also who have agreed that this House may ask questions and engage in debates with the Conference of Foreign Minister on matters of political cooperation.

I should like in particular to remind Mr Debré of this commitment by the Member States to European union in the political and defence spheres, since it was a commitment articulated at the highest level by the French of the French Republic at a time when Mr Debré was himself Prime Minister of France and thus associated with President de Gaulle in the responsibilities of government. I would like to draw his attention to the fact that on 18 July 1961 the Heads of Government of the Community and the French Head of State joined together in Bonn to call on the Commu-

Robert Jackson

nity to develop its political dimension, and invited the European Parliament, 'to extend the range of its debates into these new fields'. In the particular context of this debate, Madam President, I would like to remind Mr Debré of the statement made by President de Gaulle on the occasion of his visit to Germany in September 1962, when he declared that France and Germany would be able 'all the better to provide themselves with a means of defence if they join their capacities. This would apply still more if the capacities of their European neighbours were associated with them'.

(Applause)

Those very wise words of General de Gaulle were true in 1962 and, Madam President, they are even truer today and for the future.

(Applause)

President. — I call Mr Marchais.

Mr Marchais — *(F)* Madam President, on behalf of the French Communist Party I must register the strongest protest against the regrettable decision that this House should discuss Community armaments procurement programmes. The event is of particular significance because the very people who for months have been telling the world that the Europe of today is a Europe of social progress and of peace are now taking the lead in dragging us along the road to a Europe in arms.

It is clear that, for the majority of you, the decision is intended to open up the whole question of organizing a common system of defence. In other words, at a time which should be devoted to *détente* and disarmament, you want to re-hash the idea of a European Army and, in doing so, enable the Federal German Republic to have access to nuclear weapons.

The French Communist Party has constantly warned public opinion against this formidable combination of possibilities. When, last February, I appeared before the national defence committee of the party. I emphasised, with facts to support me, that it was on the basis of common armaments production that France's political masters intended to push the idea of European integration.

At that time there was, apart from the Communists, no political group with the courage to tackle the question of European defence fairly and squarely. And no wonder! Those concerned knew very well that the people of France would never agree to go with them along the dangerous path which they wanted France to follow. Unwilling to draw too much attention to themselves, the integrationists decided to work under cover and, now that the election is over, some of them imagine that, at last, they are in a position to chance their arm. As most observers agree, there is no doubt that the advocates of military integration see armaments production on a European basis as an indirect

means of involving France in the creation of a European army and defence system.

Ladies and gentlemen, you can rest assured that, in opening up such an alarming prospect, you will get no help from us. We certainly have no intention of letting France get swallowed up in any supranational combination or of allowing our national security to depend on decisions by a majority of out-and-out Atlanticists. As far as we are concerned, there can be no surrender on the principle that national defence is a matter for the national Parliament alone. We do not accept that this Assembly has any right to discuss the subject. Moreover, the specific wording of the Treaty of Rome is such that defence matters do not come within the jurisdiction of the Assembly. This means that, without any shadow of doubt, we are witnessing the first attempt, since the elections on June the 10th, to extend the powers of this House. As this is the first time I have spoken in this place, I must, on behalf of the French Communist Group and their allies, leave no one in any doubt about the undertaking we have given our people. We shall never, repeat never, tolerate anything which encroaches on the sovereignty and independence of France. Whatever the pretext, we shall never allow this Assembly to take over powers which belong to the State. This applies particularly to matters affecting defence. On the other hand, we shall fully support any measure which helps to build up a democratic and peaceful Europe, a Europe of the peoples. We shall oppose any move in the opposite direction and we shall resist it with all the strength and determination at our command.

(Applause from the extreme left)

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

Mr Berkhouwer. — *(NL)* Madam President, let there be no doubt over the fact that the European liberals want a Europe of peace and not a Europe of arms. The subject of this debate is not the build-up of a powerful industrial-military machine or exports of armaments to the third world (which unfortunately is only too keen to take them), nor yet the creation of employment in the military sector; to the extent that a defence apparatus is imperative to safeguard our own security, we are concerned merely to ensure that this apparatus is made as effective and as economical as possible.

Madam President, this subject is not new; it was placed on the agenda of the Copenhagen summit in 1973 when the Heads of State decided to develop a more active common policy of industrial, scientific and technological cooperation in every area. On 3 October 1975 the Commission put proposals to the Council for an action programme in the European aircraft industry which was approved by Parliament in its resolution of 6 July 1976. In December 1976 it was

Berkhouwer

the Liberals — not the Conservatives and Christian-Democrats as they are now suggesting — who first took up this matter. The result was a major debate last year at the end of which the European Parliament adopted the resolution contained in the Klepsch report.

I would remind you once again of the particularly important conclusion of the Political Affairs Committee that the military and civilian aspects of certain key industries, such as the production of aircraft fuselages, guided missiles and aircraft engines as well as shipbuilding and electronics, cannot be separated in terms of the programming of their future development. I agree entirely with Mr Davignon on this.

We are not seeking a debate on some European Defence Community, but the point I have just made seems fundamental to me. Equally fundamental is our conviction that Community cooperation in the area of conventional armaments is vitally important for the efficiency of our defence and can save millions for the European taxpayer. This is for us one of the central considerations and I want to quote a report in a recent edition of the French newspaper *Le Figaro* on a debate on European defence: 'The rationalization of armaments production, by putting an end to duplication and pooling research efforts, would lead to substantial savings and greater efficiency.'

Madam President, my group sees this as the central issue of our debate. We are strong advocates of greater independence from the United States, of which other Members have spoken, and of the development of more two-way exchanges. We also advocate some Community preference but then there must be a division of labour within the Community and also two-way or more accurately multi-directional exchanges within the Community. A precondition for Community preference is the ability to withstand competition from other countries. We can only achieve this through greater cooperation within the Community.

Those brief observations reflect the moderate standpoint which my group has always adopted on this matter.

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

Mr Messmer. — (*F*) Madam President, yesterday, Michel Debré, speaking during the debate on the agenda for the Group of European Progressive Democrats, explained the legal grounds which, in our view, made it impossible for the agenda to include the question put down by Messrs Fergusson and von Hassel. The majority of the House thought otherwise so we are now debating it.

Today I should like to explain why, on political grounds, the House and the Commission have

nothing to gain and a lot to lose in getting themselves involved in armaments questions.

Neither in Europe nor elsewhere in the world have the armaments industries much cause for complaint at the moment. Thanks to bigger defence budgets and the maintenance of a high level of exports, they have satisfactory production schedules. There is no difficulty about employment in the armaments industry, in contrast to the unemployment which plagues or threatens other industries such as steel, glass, and shipbuilding. Collaboration between our Governments, bilateral or multilateral, has long existed in relation to aircraft and tactical missiles and their production has been shared out among the manufacturers. It is a pity that collaboration is not more marked but it is certainly not diminishing.

The industry does not pose any immediate problem and public opinion will find it difficult to understand why, on the seventh day of its existence, this newly elected Parliament is devoting its attention to this subject rather than to so many others. Perhaps those who campaigned on the platform that Europe means peace will explain why they are in such a hurry.

As the debate and any comments the Commission may make continue, it will be impossible to avoid drifting from the subject of industrial policy to that of defence. The armaments industry has certain distinctive characteristics, though I am afraid this is not sufficiently appreciated, even at the Commission. One of its peculiarities is that it must conform with rigid State planning. It has to produce equipment in conformity with detailed technical specifications and do so within a prescribed period and a limited range. It has no freedom of choice. To take on responsibility for armaments at the production stage is to accept a position of impotence and futility. Previous discussions, reports and resolutions on this subject have been disposed of without ceremony. It is because they are aware of this that the questioners, Messrs Fergusson and von Hassel, are asking the Commission to have discussions "with NATO and appropriate organizations in Member States in defining Community programmes". But the programmes which the General Staffs put forward on the basis of the instructions they have received represent the policy and strategy of the Governments. Because of this, the Commission and Parliament render themselves liable to be re-buffed by those who are tough enough (and I hope some of them will be) to refuse to discuss their national defence with third parties who have no right to discuss it.

Another peculiarity of the armaments industry is that it can only have states as clients. Obviously, any action we may take will revive the arguments we had recently when some Governments ignored Community preferences and purchased American aircraft and tanks. Do we really want to embitter our relations unnecessarily?

Messmer

In any case, nearly all our countries are represented in existing organizations which have the authority to deal with armaments programmes. Since NATO was first set up, it has consistently pressed for harmonization of programmes and production and for the equipment of the various countries to be interchangeable. If NATO has failed to get the required results, how can the Commission, which has neither the technical competence nor specialized staff, hope to do any better? And if anyone makes the point that France has pulled out of NATO and has no intention of returning, my answer is that the Western European Union, of which we are still members, has an armaments committee which does not seem to be overburdened with work.

The proposal underlying the question we are discussing is debatable in law, useless in fact and politically dangerous. The European Progressive Democrats' Group has, accordingly, tabled a motion for a resolution, from which I need quote only the concluding sentence :

'The Group of European Progressive Democrats considers that the Commission has no authority to have discussions with NATO or the appropriate organizations in Member States in defining Community armaments procurement programmes.'

In accordance with Article 47(5) of the Rules of Procedure, we request that a vote be taken on it immediately.

(Applause)

President. — I call Mr Pflimlin.

Mr Pflimlin. — *(F)* Madam President, I am glad that my first speech in this House allows me to deal with a question which, in my view, is a fundamental one.

Views may differ on the way in which it should be approached. From a legal standpoint, it can be argued that it is not a subject we can discuss at all. But I find it hard to understand how some members of my Group can say that it is not an urgent matter, that, as Mr Messmer gave us to understand a moment ago, in the realm of defence and the armaments industries, everything is for the best in the best of all possible worlds and that there is something strange in our wanting to discuss it.

To take the legal angle first, I readily accept that, legally, the House has no right to take a decision of any kind on the subject of defence. That much is clear. Moreover, Commissioner Davignon, with whom I fully agree, defined with great accuracy and circumspection the limits within which the Commission could act on a vote of the House adopting the Ferguson-von Hassel motion for a resolution. No, I am quite sure that we have no power of decision in matters of defence policy.

I will not repeat the arguments of those who demonstrated that there is in fact an interaction, a complementarity and an unbreakable connection between

some industries working in the non-military sector and those in the armaments sector. In fact they are often one and the same. It is hard to imagine a Community industrial policy which separated or divided industry into the civil sector, on one hand, and the military on the other. This being so, I think we have not only the right but the duty, with all due circumspection and respect for the sovereignty of the States, to give our attention to the gradual development of an industrial policy which also embraces the production of armaments.

Mr Messmer has just been saying that the armaments industry is in fine fettle and I entirely agree that you will not find unemployment there. I hope he will not mind my making the comment that, when he says that full employment is largely secured through exports to non-member countries, I feel bound to say that some exports to non-member countries are reprehensible. I refer to the under-developed countries —

(Applause)

— who devote far too much of their feeble resources to the purchase of arms.

But the issue is not merely that of full employment in the armaments industry; it is also that of efficiency and competitiveness. It is difficult to understand why those who want to preserve us from American domination are unwilling to accept that, if we develop collaboration on armaments, which Mr Messmer recognized as needing to be improved, we shall be more likely to see the European armaments industries successfully competing against the frequently attractive offers of their American competitors. In this way, we shall achieve a better balance inside the alliance to which France still belongs. I will not go into all the legal and technical considerations involved.

Madam President, I have the honour of sitting here as a representative of the French electors, in particular, the electors of the region where we are now in session. The men of my generation have experienced two wars. I have childhood memories of the first World War, I took part in the second and I can assure you that for the population of the frontier regions security questions are more important than all the rest put together. What would be the good of increasing the prosperity of our people through an intelligent economic policy if we could not guarantee their security?

History teaches us that security cannot be won without alliances. No one can make himself secure; security is indivisible. I am, therefore, happy to feel, Madam President, that I have discharged my task without straying beyond the jurisdiction of the Community or of this House and that I have spoken on behalf of the men and women of Europe who are looking to their Governments to co-operate more closely with each other and strengthen the security of their peoples.

(Loud applause)

President. — I call Mr Galuzzi.

Mr Galluzzi. — (I) Madam President, I do not know whether those who put down the question we are discussing and those who voted last night to keep it on the agenda really intended to go into such a thorny aspect of Community industrial policy as armaments production. If this really were the subject under discussion we Italian Communists would have been in favour of debating the question because of its gravity but, as Mr Glinne said, it is one which should be considered in the context of the European crisis and the measures which are so urgently required to meet and overcome it.

The political significance which has been attached to the question on the agenda not only in this Parliament but among the general public outside is quite different. As illustrated by the comments throughout the European Press, regardless of political outlook or colour, the question revives a fundamental political issue of enormous importance, namely, the defence of Europe, and that is why we voted as we did yesterday. We cannot ignore the fact that the questioners' request was submitted at a time when defence and the balance of forces in Europe are items for discussion on every agenda in the West and when the European right is being increasingly sceptical about the American atomic umbrella. This scepticism, is now even more widespread since the recent statements by the former American Secretary of State, Kissinger, who in his speech in Brussels left Europeans in no doubt that they should stop believing in the myth of American atomic cover because, he said, America is today in no position to guarantee the nuclear defence of Europe.

It is against this background that the question must be viewed. It is no accident that it expressly refers to NATO although NATO is not an industry in an advanced stage of technological development but a tight military organization, which is something very different from the Community because not all the Member States belong to it. But discussing the question of European defence today means doing it collectively. Otherwise it is difficult to see on what foundation that defence could be based and it raises the issue of nuclear rearmament for the Federal Republic, since it is inconceivable that the defence of Europe could be assured by the financing of Germany industry on the lines of the French or Anglo-French *force de frappe*. Far from guaranteeing Europe's defence, the nuclear rearmament of Germany would take our continent back to the worst years of the cold war, make the division of Europe permanent, push the arms race to uncontrollable levels and endanger peace in Europe and in the world. The Germans themselves are well aware of this and of the risks involved for Europe and themselves and they are wholly opposed to the idea. Through the mouth of Schmidt, German Social Democracy has recently emphasized the growing

urgency of an united effort by all States on the subject of disarmament and armaments control. In addition, the German Government in the White Paper of September 4, said 'No' to a nuclear Germany, 'No' to a Franco-German *force de frappe*, and declared that the first priority now must be a policy of arms reduction and control. That is the real situation. It does not mean that we should all shut ourselves up inside a national stockade in the mistaken belief that we can rely on ourselves for protection against the dangers which threaten our continent; it means a joint, united effort to promote a policy of disarmament and cooperation and the removal of blocs and the reasons for them. If we do not follow this course and use it as the basis for uniting and concentrating all the democratic and peace-loving forces in Europe, the evil spiral of rearmament will receive a fatal boost and the autonomy, independence and security of each State may become mere words.

For these reasons, it is no good just saying that, under the Treaties, the Community has no competence on questions of defence. It must be made clear, here and now, that the only realistic policy for the defence of Europe is that of peace, disarmament and cooperation between East and West. It is the only sound and safe basis on which to tackle the crisis, resolve the problems of the recession and unemployment and make real progress towards European unity.

President. — I call Mrs Spaak.

Mrs Spaak. — (F) Madam President, today's debate has a special interest for representatives of the small countries. Their independence and that of Europe are inseparable. The maintenance of the one depends on the continuance of the other.

To Mr Marchais, I should like to say, in the friendliest possible way: all of us here stand for a Europe of democracy and peace; you have no monopoly of this praiseworthy attitude and I fail to see its relevance to the debate. We are certainly not talking about increasing expenditure on armaments but, on the contrary, about trying to rationalize and reduce it and ensuring that this has the maximum effect in the non-military field. The question really is whether it is possible to leave the armaments industry out of account at a time when we have to seize every opportunity to maintain our competitiveness, our growth and, in consequence, our independence.

Having stated the principles and called for the European alternative, how can they be achieved? My party has had some experience of the problem. We wanted Belgium's defence equipment to be European but, as Mr Fergusson reminded us just now, our wishes twice failed to prevail. Some defeats are a kind of victory. The choice available continues to be unsatisfactory because there is no forum where these problems can be studied multilaterally; nor are there any criteria for determining requirements and making it possible to

Spaak

prepare programmes in time. Buying European will not in itself constitute concerted action to develop the European industry. Having a genuine European alternative implies agreement on requirements and on machinery for cooperation between the parties concerned, not just an understanding between buyer and seller. We must achieve standardization of new weapons, if only in part. It is essential if we are to establish a coherent and effective action programme which will result in collaboration between Member States and, at the same time, a sharing of the risks which will be more readily accepted because it is based on a number of projects and, therefore, on a continuous operation.

I think some of the proposals in the Klepsch Report are worth considering. As far as research and orders are concerned, for example, the Community could decide on joint action to strengthen our industrial structure. An action programme should be drawn up for the purpose.

As for the controversy which this question has stirred up, it is clear that defence policy is not covered by the European Treaties. Does that mean that a debate on the present state of affairs and its effect on the future of Europe cannot take place between the directly elected members of this Parliament as representatives of their constituents? Of course not. In any case this is not what we are doing; we are talking about the relationships between industry and government orders in connection with armaments procurement. Those who want Europe to be economically independent (and there are many of us in this House) and to see it form a close and loyal partnership must welcome the determination which is being evinced that, in future, whether in political, economic or technological terms, we shall have competitive European equipment and thus choose the European alternative which we want. We should like to know what Parliament is going to do in order to put these suggestions for cooperation into concrete form. If this is not done, our debate, interesting as it may have been, will produce nothing and we shall share responsibility for compounding a state of affairs which we have rightly condemned.

President. — I call Mr Bøgh.

Mr Bøgh. — (DK) Madam President, I do not know whether it is evidence of naivety or cynicism to claim that this subject has no bearing on military policy. An attempt is being made to harness the armaments industry as a locomotive for an industry in recession. The fact of the matter is not simply that military policy influences industrial policy but that it is abundantly clear that industrial policy also influences military policy. Once money has been invested in military product development and capital equipment, it must of course show a return, and Mr Klepsch expressly points out that, where armaments are concerned, the costs involved escalate ten times as fast as costs in the civil sector.

We know a great deal about how the syndrome of research, military interests and big business is blurring the borderline between the private and the public sector. We know that this means that the large concerns are beginning to pursue an independent military policy and a policy of provocation in order to maintain and increase the demand for new weapons. We also know from the Klepsch report that long-term investments in research and development are involved, investments so long-term as to require immense political stability in the countries that are required to be both employer and customer in this connexion. The democracies, with their changing majorities and changing governments, are poor partners for the armaments industry, and democracy will therefore lose out in this struggle; this is presumably the reason why it is envisaged that coordination should be entrusted to the Commission, which can be assumed to have greater stability than the individual States. This means that we are faced with a new attempt to undermine the national sovereignty of the Member States. The Tindemans report also mentions the coordination of armaments policy as a means of bringing to fruition the dream of total European union.

Those of us from the Danish Popular Movement against the EEC must protest against the infringement of the Treaty of Rome that is implied by this very poorly camouflaged attempt to include defence policy in EEC cooperation. We must protest against the fact that those voters who have received assurances that there would be no question of cooperation on defence policy are now being deceived by every possible means.

I would like personally, as a priest in the Christian Church, to express my surprise at the fact that representatives of a party that has the boldness to adorn itself with a Christian title provoke a state of affairs whereby the economic prosperity of the Community countries is made dependent on the continuing escalation of the balance of terror between East and West. It is an honourable thing to rearm when one's survival is threatened, but it is cynical and destructive to have a pronounced common interest with the enemy in escalating the balance of terror because it is indispensable to industrial development.

I am also surprised that this proposal should come from the very nation that has the most frightening experience of the implications of harnessing armaments production as a locomotive for industrial development. It is the kind of medicine that cures the patient one day only to kill him the next. Finally, if, in order not to be accused of one-sidedness, I have to say something positive about this plan, it is that it will bring a good deal closer the day when my country can leave the EEC, because there is no support in my country for this kind of thing.

President. — I call Mr Paisley.

Mr Paisley. — Madam President, the peace of the Community was shattered today in the country I represent in this House. Eleven bombs were planted by the Provisional IRA, people were injured and one allant policewoman was among those injured. I mention that tonight because in this debate some Members from the rest of the United Kingdom delegation who spoke emphasized the great dependence that Europe would have, and indeed has, on America for arms.

There is only one legal police force in Northern Ireland set up by the United Kingdom Government and controlled politically by the United Kingdom Government and that is the Royal Ulster Constabulary. Its men and women stand between us and terrorism, and in that battle many gallant members of the Royal Ulster Constabulary have fallen. You say to me, what has that to do with this debate? It has to do with the fact that the arms used by the Royal Ulster Constabulary come from the United States of America. But because this year is an election year in the United States of America and because the Irish lobby is a very important lobby in the selection of candidates in the presidential race, the Congress of the United States, in one of its committees has banned the supply of arms to the Royal Ulster Constabulary. Although the Irish Republican Army gets its weapons from the United States of America, the legal police force that seeks to protect all members of the community, whether they be Protestant or Roman Catholic, has now been denied this. And a move has now been made in Congress to raze the supply of arms to the United Kingdom for their forces in NATO. So it would seem to me that Europe would do well to be independent and to be able to supply her own arms to her own armies. And I think that this House should take cognisance of what has taken place in Northern Ireland.

President. — I call Mr Prag.

Mr Prag. — Madam President, since the oil crisis of 1973, Europe's weight and influence in the world balance of power have sadly diminished. Europe, though it advances, advances slowly like an ageing snail. It is failing to meet the challenge of a hostile world militarily, politically or diplomatically. Some of us, like Mr Debré, sit pat upon our dogmas. We must, of course, respect Mr Debré's strict, almost religious, views on the nation-state. He clings to them as Archbishop Lefebvre clings to the Tridentine Mass. That is indeed his right.

But the world, Madam President, is changing fast, and to our disadvantage, while Europe continues to advance at its snail's pace. Mr Glinne seemed to be condemning the manufacture of armaments in general. No one likes it, but what does he want? We are all in favour of multilateral disarmament, but he

seems not to want to manufacture armaments at all. That is totally unrealistic. In the first place, without an effective arms industry, the Community would either be totally dependent on the United States, or it would be the end of our free democratic society. In the second place, the number of people employed directly in the defence industries of the Community is not far short of one million. In the United Kingdom alone, we have about 200 000 people directly employed by defence industries. Even in my own constituency, where the crucial high-technology area is quite considerably concentrated, there are some 15 000 people. Beyond this there are several million people employed in ancillary industries, in electronics, steel, other metals and vehicle production, which are heavily dependent on defence. In our export trade, the change of government in Iran has caused the cancellation of billions of pounds' worth of orders to our defence industries. Is the Socialist Group happy to accept the additional unemployment which is going to arise and is already arising from this? To avoid even greater unemployment than we already have in Europe, our arms salesmen are now scurrying back and forth seeking new clients among the poor countries of the Third World.

There are other solutions. If we can standardize to a greater extent, and at least ensure our inter-operability where we cannot standardize, we shall be much better able to provide the arms and equipment for our own forces, instead of having others provide them. There is a great deal to do. There are still more than twenty different anti-tank weapons in the armory of the Atlantic Alliance. There is a wide variety of air-launched and sea-launched missiles. Even the infantryman's rifle and ammunition are not yet standardized. That means that the present system is not working. It means waste and inefficiency on a vast scale. Perhaps 30 % of budgetary spending on weapons and equipment is wasted. So should we not at least see whether, by a rational industrial policy for armaments, we cannot put our own European house in order and bring about standardization and inter-operability here in the European Community?

Now, I am perfectly well aware, as Mr Davignon said, that the governments are themselves responsible for armaments programmes. Of course that is so. I am also aware that the British Government said in July that the independent European programme group is the best place to seek European cooperation. But I suggest, Madam President, that if we want to galvanize this limping programme of standardization, and if we want to make our armaments industry rational and effective, then the Commission should be associated with the independent European programme group. It should take part in its discussions and help to form an effective industrial policy, and perhaps also negotiate with the United States as part of a common commercial policy.

Prag

It is high time, Madam President, that the Commission did something with the action programme it drew up as a result of the Klepsch and Normanton Reports, because Europe cannot wait forever.

President. — Many Members are still waiting to speak in this debate, and some have just added their names to the list. I therefore propose that the list of speakers be closed. There are still more than ten to speak.

Are there any comments?

That is agreed.

I call Sir Peter Vanneck.

Sir Peter Vanneck. — Madam President, honourable Members, I rise to speak on this occasion not only as a Member of this Assembly but also wearing another hat — a brass hat, in English slang — as the senior officer of the Royal Air Force Reserve, as Inspector-General of the Royal Auxiliary Air Force in the honorary rank of Air Commodore. As one, too, who has been and still is a practising pilot of some 35 years' experience, my interests are naturally angled towards the aviation industry and avionics. But the subject we are addressing ourselves to at this moment is much broader than that; it concerns the whole industry, its efficiency and its cost-effectiveness. In the words of a preamble to a Western European Union document: do we not consider that the production of modern armaments is necessary for the economic, military and political independence of Europe, while hoping sincerely that the international community will eventually reach agreement limiting the production of and trade in arms? Do we not note that national armies no longer provide a large enough market for any European country to be able to produce armaments at competitive prices; consider that armaments industries occupy an important place in the economies of several West European countries, where they make a major contribution to the maintenance of employment; and further consider that it is evident that their work makes a worthwhile contribution to the development of scientific and technical research in many fields, and to the maintenance of a high level of technology in Europe?

I would add to this that figures from NATO showing spending on major purchases as a percentage of total defence expenditure indicate proportions of from 10% to 20% thus showing the importance of this matter.

Now far too much of this expenditure goes in hard currency, as has been said, particularly to the United States. We must therefore consider the implications of these purchases from abroad for the Community's balance of payments and monetary situation. Because, in a nutshell, it can only benefit us economically to maximize our purchases from within the Community. To this end, we must promote as much agreement as

we can on what is wanted and who will produce it, however difficult this may seem.

I now quote Mr Klepsch himself when introducing his report on 13 June 1978 to show how we have been dragging our feet and how timely Mr Fergusson's question is. 'It is particularly interesting to note', he said, 'that in its 1975 action programme the Commission proposed the creation of a European military aircraft procurement agency.' This proposal was in line with Parliament's attitude, since Parliament's resolution of December 1975 urged the establishment of an agency ultimately aimed at the joint manufacture of weapons meeting the requirements of the Member States. This proposal largely coincides with that made by Mr Tindemans. He referred to the need to initiate a common industrial policy on the manufacture of armaments within the framework of the European Union. When he was a Member of the Commission, Mr Spinelli also made similar proposals with regard to a European armaments production agency.

What has happened since? Despite all this high powered resolve, on a Community basis absolutely nothing! Let us therefore address ourselves again to these real necessities. Let us try to strengthen our defences in this way. Let us remember the old Latin tag: *si vis pacem* — and we all do desire peace — *para bellum*. And, Madam President, let our preparedness be on a Community basis.

President. — I call Mr Welsh.

Mr Welsh. — Madam President, this debate is concerned with the development of a European defence industry, an issue which is crucial to the development of our Community. We have heard a great deal today about the importance of self-sufficiency in food supply, and the price that some of us are expected to pay so that it can be realized. We shall no doubt be hearing a great deal about self-sufficiency in energy, and there will certainly be a price to be paid for that. If it is essential for the Community to be self-sufficient in food and energy, then surely we must also be self-sufficient in our means of defence. For the first duty we have to our citizens is to ensure protection for their liberties and their way of life. This cannot be left to the mercy of others.

In his speech at the opening session of this Parliament, the President of the Commission referred to the industrial challenge which the developed countries of Europe now face, and the importance that be attached to a Community policy for advanced technology. Defence industries are universally recognized as being the bell-wethers for technological advance, operating at the frontiers of knowledge and pioneering new techniques and systems. A dynamic and innovative defence industry will be an important component of Europe's response to the challenges posed by the new industrial revolution.

Welsh

We in Lancashire are particularly proud of the contribution that our factories at Chorley, Preston and Warton have made to the defence effort of three Member States of the Community. But I particularly wish to draw your attention to the Tornado. This is a multi-purpose aircraft capable of operating in all weathers. Tornado is produced in Germany, Italy and the UK in a remarkable tri-national cooperative venture. Tornado is responsible for approximately 7 500 jobs in Lancashire, which is an area plagued by unemployment; and of these 2 000 are highly-trained engineers whose skills are crucial to the Community's industrial future. A similar number of people are employed on Tornado in Germany, and approximately 5 000 in Italy. It is an excellent example of a defence project which provides employment and an outlet for talents which are not easily found in other industries.

A number of lessons, Madam President, can be drawn from this project. The investment required to manufacture a modern aircraft is so vast that long production runs are essential. No single country's industry can expect to be able to support such an investment burden indefinitely. Neither the French, nor the British, nor the German, nor the Italian aircraft industry could alone develop the next generation of combat aircraft. If the three Community firms had not cooperated, and if the three governments had not backed the cooperation, there would have been no Tornado, and the 20 000 jobs I have referred to would not exist.

The partners have made distinctive contributions to the development of the aircraft. Different areas of expertise and experience have been complementary and mutually stimulating. Each firm has been able to learn something from its partners and suppliers. Research and development on one project marks the point of departure for the next. For instance, as a result of Tornado a great deal of work has been done in developing carbon fibre as a material for making tail-planes. This will have important implications for the 403 ADS and for civil manufacture as well, where, as French and British aerospace firms well know, the Community is in deadly competition with US firms.

Madam President, this is the first occasion on which I have had the honour of addressing this House and I am pleased that my first speech should be concerned with the constructive topic which points the way towards the future. I am very proud that the people of Lancashire should be making an important contribution to cooperation in Europe in an area of such importance to the prosperity and security of themselves and their fellow-citizens.

President. — I call Mr Warner.

Sir Fred Warner. — Madam President, I shall limit what I have to say to one practical concrete question

— that of the European helicopter industry. A number of Members of this Chamber have argued that such a matter is not within our competence. I suggest that what you think on this matter depends very much on who you are. If you are an ex-Prime Minister of France it is one thing, but if you are a worker at the helicopter factory in Yeovil, which has often been threatened with loss of orders and loss of jobs by American competition, then you have a very different view: you know that this question is one of employment or unemployment; you know that this question is one of the survival of the industry in which you work, and you would expect your representative in this Parliament to do everything in his power to support you — not to hide behind questions of competence but to try and engage every organ of the Communities in doing its job.

Now what is joint procurement about? There is no point to my mind in having a joint procurement programme if you are then going to procure everything from the United States. The point about joint procurement is that it forms the framework for joint production in Europe. European companies must be given such a framework within which they can come together to create a competitive, technically-advanced group which can survive against outside competition.

Well, we have good news about this: we know that this is precisely what has happened in the helicopter industry. As long ago as in 1967, the main French and British companies in these fields made a joint production agreement. The result of this has been outstanding cooperation on the 'Puma', the 'Gazelle' and now the 'Lynx'. Some 2 000 helicopters will have been built — two thousand! Does anyone believe that without that cooperation France would have built a thousand helicopters and Britain another thousand? Certainly not, not a chance. Separately we should have reached nothing like that figure, and both our industries would have been far weaker today, if not on the road to being swept away. Instead, we see thousands of workers employed at Westland, the same numbers as at Aérospatiale, with all the related employment which follows. In this business the French were as keen as the British, and they were even more experienced and aggressive in dealing with government procurement. So we hope that they will go on from this success, that their success will encourage them to take similar initiatives in other fields, like fix-winged aircraft and electronics.

In the helicopter field, there is now also a joint agreement with the Italian company Agusta and the German MBB. We are all waiting to see this translated into joint research, new models and hard sales, and it is a great opportunity.

The Commission's document on this subject shows that two years ago there were helicopters worth more than 1.5 billion European units of account in service

Lord Warner

in EEC countries; these are being supplemented and replaced at ever higher prices. Are we going to leave the whole of this market to the Americans, are we going to give up the 50 % of the sales we have already? I hope not, I hope we shall increase our share of the market.

This leads to my final point what is the rôle of governments in this matter? What is the rôle of industry, and what is the proper rôle of Community institutions? We often talk about the two-way street with America, meaning sales of arms in both directions, and we heard about it this evening. That is unreal. That two-way street is virtually a one-way street. What we need now is another kind of two-way street — one between our governments and our industries, with traffic humming in both directions. Governments must agree on and say what they want to buy, industry must agree on and say what they want to make, and these two views must be continually reconciled.

Why does this process take so long? Why has the Commission's action programme for aeronautical research remained stuck in the Council for two whole years? Why don't we know what will be the future of the anti-tank helicopter or the utility tactical transport helicopter? This Parliament and the Commission surely have an overwhelming duty to European workers and European industry to encourage such decisions, to speed up such decisions and to provide initiatives for better decisions. That is what we should be doing, and that is what we look to Mr Davignon to help us to do.

(Applause)

President. — I call Mr Battersby.

Mr Battersby. — Madam President, a further practical area of defence procurement coordination in which the Community is in fact already participating is naval shipbuilding. Since the Community Member States extended their territorial waters in the Atlantic and the North Sea to 200 miles, our joint fisheries protection task has grown astronomically. Community funds have already been voted to assist Denmark and Ireland to expand their fishery protection services to enable them to enforce conservation measures in their waters more effectively. We as a Community have an ever-growing requirement for fisheries protection vessels capable also of oil-rig protection, environmental control and providing general assistance to our fishermen at sea. Parallel with this, we have an increasing need for naval, mine-sweeping, and off-shore patrol-boats, and this type of naval vessel coincides technically from the points of view of speed, size, hull-form engine and general lay-out with the fisheries protection vessels. These are conventional defensive vessels defending our Community resources and our waters and can be built in mixed yards where the orderbooks are low. Coordination in the production of such vessels would provide work in our shipyards: for example, a five-year programme

building ten ships of this type per year would take 1 500 men in permanent employment on building and fitting out only, while thousands more would be fully employed on equipment and engine-building, electronics and so forth. Coordination would result in reduced costs due to the economies of standard vessel production, public funds would be used more effectively and work could be apportioned to those Member States best suited to the task. Operationally, standardization would result in greater interoperability and flexibility. Coordination in a naval procurement programme of this nature would ensure effective enforcement of Community fishing policies. Without the means of enforcement, any fishing policy would be a dead letter. In the defence field, we should have available a larger and more efficient off-shore patrol and mine-sweeping fleet in being to protect our waters. Not only would coordination in this field result in a rational employment of our resources; it could result in considerable technical spin-off in the field of electronics and communications and in export potential of similar fisheries protection general-purpose vessels.

(Applause)

President. — I call Mr Normanton.

Mr Normanton. — Madam President, may I briefly intervene in this debate and apologize to my honourable friend, Mr Fergusson, and to Mr Davignon, that I was not present when they made their significant contributions. But as draftsman of the opinion of the Economic and Monetary Affairs Committee to the Klepsch report last year, I do feel I have a duty to make a brief contribution.

Firstly, I wish to emphasize, if further emphasis of the arguments were necessary, that we are not discussing defence in the military or strategic, operational sense, though I believe — and I put it repeatedly on the record — that we should be doing exactly that. If Europe is worth building — and that is why we are here — it is worth defending. He who is not prepared to defend it in my language, has not the right to share the profit of our efforts to build Europe.

The second point I would make is that the Community as a whole, the Commission and Parliament in particular, are responsible for the economic well-being of our citizens, and that must mean promoting our economic ability to compete in the world at large, industry by industry.

To achieve this, there is only one basic argument which I believe cannot be challenged, and that is the interdependence of defence expenditure and non-defence expenditure. They are totally indivisible.

We must recognize that it is totally unrealistic at best, or sheer wilful culpable deception at worst, to pretend that you can formulate policies for industry, as we are required to do, as we try to do, and on a basis of strictly isolating the policies we shall apply to the non-defence sectors but shall not apply to those which are

Normanton

described as defence. But if we subscribe to that irresponsible and, I think completely self-defeating argument, then this House is adopting a stance which I could only describe as an abdication of political decision-taking to the world at large and to two industrial giants in particular. If we do that, we shall pay the appropriate price for that irresponsibility.

(Applause)

President. — I call Mr Cottrell.

Mr Cottrell. — Madam President, Members of this House, this afternoon we had the butter and this evening we have the guns, and both, I think, can claim antecedents in the Soviet connection. The consequences of not having a common weapons procurement policy for the EEC are detrimental, in a national and a European and an industrial context. Arms procurement is significant in terms of industrial policy, but we must never forget that the object of that policy is the defence of European democracy.

Having recently visited the divided city of Berlin, which is a part yet not a part of Europe, I am reminded that we must never forget what our objectives must be; inter-dependence is the key to both preparedness for military conflict and the economic well-being to produce it. In simple terms of income, employment and technology, coordination of arms purchases by the EEC countries is vital. The consequences of inter-European competition are disastrous, and mean that only the Americans will be the winners. We are already far too dependent on the Americans for our conventional weapons systems, for our own good. Faced with warnings about the Soviet and other Warsaw Pact countries' build-up in Central Europe over the last decade, we must realize that our historical reliance on the US has entered a new phase, and we must ask ourselves how inclined our American allies will be to sacrifice one of their cities for the safety of Europe. The SALT Agreement does not cover medium-range missiles, which pose the most immediate threat to us in Europe.

In the United Kingdom, we have a history of supporting and initiating collaborating efforts among the European arms industries. We suggested in 1968 the formation of the independent European programme group, in which France fully participates, to further the cause of collaboration, in spite of what we have heard here today. In my own constituency of Bristol, the British Aerospace Corporation leads the field in collaborating on guided-missile programmes with France and Germany. In the UK, we are also collaborating with Italy and Germany on the Tornado aircraft. However, even the UK, with its recognition of the need for close collaboration, spends only 20.9 % of its overseas defence budget within the NATO countries, and 76.6 % with the United States. Of our total collaborative budget, however, 72.2 % is with the NATO countries and only 28 % with the USA.

Of course there are problems with collaboration — extra cost to manufacturers, the managerial field, the duplication of toolings — and the sacrifice that would have to be made for collaboration in purchasing systems would be the scrapping of existing systems and the holding up of programmes until collaborative ones were developed. The lead time in any guided missile programme is never less than 10 years. Great political will is needed to initiate the kind of collaboration that we are talking about.

The advantages of collaboration, on the other hand, need no elaboration: shared costs reduce each national investment and the types of weapons and systems produced are fewer, not to mention the political advantages of cohesion between partners, and most of all the industrial and economic advantages in terms of GNP, employment and industrial development. A good European collaborative system would also be in a position to combat the astonishing overseas marketing of American products.

The first step towards collaboration is, of course, the adoption of a common set of requirements. Despite NATO and IEPG, there has never been a mechanism to impose common requirements, but if the political will is there, this primary obstacle can and will be overcome. The areas for collaboration are wide: helicopters, anti-submarine helicopters, tactical combat aircraft, a new generation of anti-tank weapons involving British Aerospace cooperation, torpedoes. Only a fractional increase in each of the European national defence budgets would result in enormous benefit for the entire infrastructure of the European defence industries. The fact is that here in Europe we have the technology, the expertise and the skill to defend us and to preserve the kind of democracy which enables us to have this debate this evening.

(Applause)

President. — I call Mr Hutton.

Mr Hutton. — Madam President, the point of this debate is nothing if it is not to do something positive to tackle the scourge of unemployment which lies like a dark shadow over all the countries of this Community. It is pointless to pretend that there should not be an industry which produces armaments when jobs — jobs in my constituency — depend upon it, as they do all over this Community. Because the industry is large and because many jobs do depend upon it, nations have jealously guarded it in their own countries; but it is becoming increasingly clear that individual countries will beggar themselves if they attempt to go on alone producing some of the bigger and more sophisticated equipment. And so we have already heard today about the growing cooperation between countries in this Community.

But such cooperation is only sporadic, it is not the product of a coherent policy. Although industrial

Hutton

cooperation has been going on in various degrees since 1945, there are still large areas where it is quite clearly missing. Mr Fergusson pointed out that we do not use the same tank, we do not even fire the same rifle. Now generally speaking, that industrial collaboration which has taken place already has been a practical success. Simple arithmetic will show that collaborative development will still be a cheaper solution for any country in spite of the minor differences that some may want. Investment in a collaborative project is nearly halved in the earlier development and tooling stages, and the risks of failure are shared out. Research and development resources — human and financial — can be spread over a much greater number of projects. Technology is diffused without a corresponding increase in scientific and technical resources. In three words, it is cheaper. The cost of developing advanced weapon systems is now so high in relation to the amounts that are needed by European countries that it makes it essential that we have collaboration. The alternative is a gamble on getting big enough export orders, and it is becoming harder and harder to find places which want to buy finished products. As Mr Fergusson pointed out, a proper European market will be big enough for us not to need to export such equipment.

The other alternative, which practically every other speaker has referred to, are the Americans. Now I have worked with the Americans and I admire many things about them. But it has to be said that the quality and the technical parameters of much of their equipment is just not good enough for us here in Europe. The logical result of failing to cooperate and maintain those industries in Europe which produce armaments will be that we shall lose jobs, we shall lose the technicians and their expertise and we shall lose the vast civilian spin-off from military developments. And we shall have to do a great deal of shopping abroad.

If we care about jobs, if we care about keeping those skilled people in Europe, we must take on that vital rôle of encouraging coordinated arrangements inside Europe and representing Europe in transatlantic negotiations. So I, Madam President, have great pleasure in supporting the proposers of this motion in the hope that from it will flow real benefits to all the countries of this Community.

President. — I call Mr Romualdi.

Mr Romualdi. — (*I*) Madam President, the protest of our Communist colleague, Marchais, was predictable. It was conventional, conservative and, as by tradition his party often is in France, almost reactionary. For different reasons, the attitude adopted by Messrs Debré and Messner for the Gaullists was equally predictable. I thought these protests rather exagger-

ated because, as I see it, we are not discussing the sovereignty of individual States. But, if I may say so, what if we were? Is it or is it not our duty to do all in our power to bring about the political unification of Europe? This is certainly what our constituents want and our peoples want. But is our Europe becoming the Europe of the peoples or the Europe of the parties? They are certainly not the same thing. As Commissioner Davignon said, the subject of discussion is how, as part of our efforts to overcome the industrial and economic crisis which is hitting every country in Europe, we can develop and strengthen our advanced technology. In that field it is not easy to draw a clear distinction between civil and military, between one purpose and another; they are interdependent. As Tindemans pointed out in his famous Report, there are already fears, in Italy as well as elsewhere, that action on those lines may be creating a European Armaments Agency. What matters at this juncture, however, is whether the Commission can, should or should not have these discussions with NATO and other appropriate organizations in the Member States in view of the fact that the latter are free to act as they see fit, without listening to anyone, in planning for our defence and security in accordance with the Alliance's plans.

In my view, this freedom includes the right to say whether or not the States and NATO can agree that European industry should try to coordinate its forces and, with the requisite advanced technology, produce at a high standard what the individual national industries are, perhaps, at present unable to produce at all or are able to produce only inefficiently, without proper planning and, of course, much less economically.

All this is not for the purposes of defence or to meet the needs of our economy. There can be no denying the ever present possibility of a fresh nuclear threat, which has already been referred to in this debate, and of the unleashing of another European war. The fact that the possibility exists — this must be said — is nowadays attributable solely to the Communist States and to international Communism which, in the last thirty years, have, in war after war, revolution after revolution, exploited it to the full in order to encircle the whole of the free West.

It is, perhaps, Europe which, at this point in time, has the special duty and right to look to its own defence, as was so well said just now by Mr Pflimlin and other speakers. But this is not for discussion now; we shall be returning to it tomorrow. Today we are concerned with the protection of our industrial interests, our industries, employment in our countries and the advanced technology which must sustain employment and those industries and make them competitive in the world at large in both the military and the non-military field.

Mrs Castellina. — (I) Madam President, I voted for a debate on this subject but on grounds rather different from those advanced by Members who voted with me and have taken part in the debate. I did not agree that we should debate this subject on the ground that the EEC should have discussions with NATO about armaments or institute its own production programmes to manufacture even more armaments than are being produced already. I thought the subject ought to be discussed because, frankly, I find little to commend in the feeble and mistaken argument that it ought not to be because it would encroach on national sovereignty. For some time now, there have been restrictions on national sovereignty, in terms of defence; NATO is an integrated organization and the same applies to the defence systems of our various countries, which are dependent not upon each other but upon the United States of America.

As for the programmes of the armaments industry, I believe that it is better to talk about them openly rather than rely on collusion or collision between the various pressure groups which operate in the arms production field to win orders or open a new account without too fine a regard for scruple. As we know, Italy has a flourishing export trade in arms and even manages to send them to South Africa despite my country's solemn undertaking not to export them to that part of the world.

We are, therefore, right to tackle the problem but only if we begin with the real issue underlying the idea of co-ordinating European armaments procurement programmes, by which I mean the question of European defence and, as a corollary, what range of choice, in the case of armaments as well as other products, should be made available to guarantee it. It is a question of enormous importance and we must discuss it, provided we understand what we are talking about. Many people argue that when, as many believe, Europe is no longer covered by the famous United States umbrella and new political and economic conflicts weaken the close links between the United States and Europe, Europe will have to have its own independent armaments supply to guarantee its independence.

A common approach is now all the more important because Europe must make itself independent of the two super-powers and we may be able to do this only by acting together. On the other hand, I do not believe that our independence and defence can be assured by building up our own armaments and creating a third military super-power. I say this not only because we all ought to be co-operating to stop the armaments race but also because, at the present level of technology in this field, the amount of investment required to make Europe genuinely independent makes it too ridiculous to contemplate. It would be a fraud to attempt it. The autonomy and

independence of Europe which are so essential and, as we are all aware, are today non-existent must be secured but we must turn in another direction to find it. The first step must be establish a pattern of development capable of building up an integrated and independent economy in the countries of the Third World. This will rescue them from the blackmailing tactics of the two great powers on which the latter's military strength and the weakness of Europe are based. But to do this, of course, we need another Europe, not the Europe we have today!

Reference has been made in this debate to the need to create jobs and it has been suggested that the armaments industry offers the opportunities required; other speakers from the left have reminded us what a dangerous solution this has always been and I shall leave it at that. I would, however, add that, apart from its tragic consequences (and experience has shown how tragic they can be), this solution would now no longer have the expansionist effect which, under Keynesian policies, it sometimes had in the past. To increase public expenditure on armaments would merely increase the national debt at the expense of non-military consumption and the end result would be to worsen and not, as has been suggested, to alleviate the lot of the workers.

The only point I wanted to make, Madam President, was that we had to have this debate and that the House must adopt a common approach to the problem.

President. — I call Mr Capanna.

Mr Capanna. — (I) I do not believe Mr Fergusson and Mr von Hassel lack courage, but they certainly lack candour. How ever could they propose talks between NATO and the Commission, in so many words to define Community armaments procurement programmes without saying for whom these supplies are to be procured? This is a point which has been skipped over in the debate. This is interesting because it conceals an undoubted attempt to revive a Commission-NATO combination in order to push NATO further along the road of aggression against the mass of West European workers, among others.

These considerations cannot be dismissed as just questions of industrial policy, as so many speakers, uncluding the questioners, have dismissed them. There is, of course, some awareness that, especially in this day and age, armaments factories are not the same as factories making toys. Mr von Hassel concluded his speech with the following words:

'As we all know, public money must be put to the best use but we must face realities.'

It is this principle of false *Realpolitik* which, in the course of history, has been responsible for the outbreak of every world or other war. It is strange that

Capanna

no one in the debate mentioned that we are today living in the presence of a terrifying capacity to over-kill; both in the East and in the West, the arsenals are now capable of destroying life on this planet many times over.

In the light of that, the speeches — I almost said 'the sophistries' but that may be too strong — about safeguarding employment are, to say the least, hypocritical. The rawest student of economics knows full well that the armaments manufacturing industry is capital-intensive rather than labour-intensive. Moreover, the colossal expenditure on defence is, especially now, a powerful, chronic and uncontrollable source of inflation, with all the consequences which this implies in regard to the future and wellbeing of hundreds of millions of mankind. Obviously, that is not the way to safeguard employment and only a hypocrite would say so. The only way is to strive to stimulate the production, equal distribution and, therefore, consumption of food and manufactured products for peaceful uses and by expanding the social services. It is strange that no reference has been made to this either; I mean to the fact that we could at least create the conditions for a successful campaign against the slaughter of the 50 million human beings who, in this world (and no other), die of hunger each year.

President, I have by no means used up my five minutes. Today, because of the strains in our society and the trials of strength between the classes and between the blocs, armaments are killing people because of the enormous volume of resources they immobilize; they kill even when they are not used. I trust that the European Parliament will have the wisdom and the courage to affirm the truth of this and the wisdom to take its decisions accordingly.

President. — I call Mr Pannella.

Mr Pannella, — (I) Madam President, allow me to express my sympathy with the staff, who, after the closure of proceedings was fixed for 21.00 hours, thought they could stop work at 21.00 hours but are still working.

I believe that the line-up of latter-day Jacobins and old-fashioned nationalists which, in this House, has united President Debré and Georges Marchais, the secretary of the French Communist Party, is far from convinced about the correctness of the legal argument it has invoked. I only hope that, on the day when the majority of this House break the rules of its constitution, Messrs Debré and Marchais will, as good Parliamentarians, not rest content, as on this occasion, with a protest but will prevent us from acting illegally. From President Debré to Georges Marchais, those who protested know that, in law, we are doing what we have a right and an obligation to do. Their objections were raised in a way which showed that they did not believe in them since a member of Parliament in

a minority who believed that the majority was acting unconstitutionally would have the right and the duty to defy the majority and refuse to let it break the rules.

I think the time has come to expose certain voices which purport to be of the left and to speak here in defence of national independence. Madam President, our colleague Marchais is adept at explaining in Paris that your Government is nothing more than a committee for capitalist affairs, a committee for bourgeois affairs, indeed a hereditary aristocracy of the capitalists and the bourgeoisie. In spite of this he wants to safeguard the Communists and the French and European workers by defending the independence of the nation which, unless I am mistaken, includes a committee for extreme right affairs dedicated to unconstitutional action and living on profit in order to impose the profit motive on the pattern of French society. Well, I too can be old-fashioned but, as a man of the left, I prefer to throw my long-held conviction in the faces of the arms manufacturers and say that those who manufacture arms, and those who trade in arms, who today include Governments, are the enemies of the workers, of Socialists and of the Communists; whether Mr Marchais likes it or not, this is the truth. I am, however, glad to have a chance to introduce some control over the present state of affairs in Europe and over armaments and I agree with Commissioner Davignon that, as an institution, the Commission was perfectly within its rights. We are opposed to your attitude, we are opposed to your policy but we have no need to stack the cards; at the moment you are playing to the rules and we respect you for it.

I should like to conclude by saying that the armaments industries, which could very easily be converted to other uses, are, if Marchais and Debré don't mind my saying so, nothing but contemptible exporters of death. When States like France and Italy sell arms in every quarter of the globe, they, too, are exporters of death. On behalf of Europe, the Bretons, the Corsicans, the people of Paris, the people of Italy and the people of Germany, we state quite deliberately in this debate that we want nothing to do with those States who are involved in the despicable traffic in arms in the Third and Fourth Worlds and whose policy condemns 50 million people to death. If Marchais the Communist considers that this benefits the French working class, then we really have come to the end of a tragi-comedy because such an attitude is more deserving of laughter than of tears.

President. — I call Mr Bruno Friedrich.

Mr Bruno Friedrich. — (D) Madam President, I regret the strength of feeling that has come to light in this debate because our only emotion should really be one of revolt at the fact that 500 billion dollars are spent each year on defence throughout the world. On

Friedrich

the other hand we know that no country will voluntarily renounce its own armed forces so that in future we shall continue to be confronted with the subject of armaments.

I voted for consideration of this question yesterday because I did not want our right to put questions to be restricted, but I would add that this debate seems to be taking place at the wrong time, in the wrong place and in the wrong forum. I shall explain what I mean: one author of the question has been a minister of defence and he should know full well that armaments cooperation is exclusively the preserve of the Eurogroup — or as far as France is concerned, of the independent Eurogroup; this Eurogroup is responsible to the defence ministers so that the whole subject falls within the sphere of national competence.

I was somewhat surprised by the Commission's answer because it is quite obvious that guns are not butter and tanks are not melons. If it is claimed that arms exports — and remember that the United Kingdom and France are great powers in arms exports and the Soviet Union and the USSR giants in the export trade — are strictly a commercial matter, let me remind you — and I have myself submitted a major report on arms exports — that no European country is willing to forego its national right to decide on each arms export transaction. The Commission should note that fact and recognize the national realities.

I also consider it wrong to speak in this context of job creation, because the difficulty in providing employment in the armaments factories stem from the fact that orders are placed in an altogether irregular manner by the different defence ministries and the companies concerned seek to fill the gaps by exporting. This is a matter for the defence ministers. Finally, may I say to the Commission that the invasion of Europe by Japanese industry cannot be warded off by more armaments; we in this Parliament should rather be discussing peaceful technologies, for example alternative forms of energy and then we can consider job creation in that context.

I put my name down to speak first and foremost in order to rebut the attack by the chairman of the French Communist party on the Federal Republic of Germany. Here I am also speaking for the Christian-Democratic and Free Democratic parties, with whom I am generally in disagreement. Each German government and the German parliament have solemnly renounced nuclear weapons. We do not want them ...

(Applause)

... and no leader of a great national party should succumb to the temptation of hiding the truth for the sake of national emotion. That is not good for Europe.

(Applause)

I read in a resolution of a communist organization that it was proper for French soldiers to be equipped

with French rifles and not with German guns I should have no objection to German soldiers being equipped with French guns; I only hope that soldiers of the two countries will never again shoot at each other and indeed that no Europeans will shoot at each other. As someone who has promoted the cause of Germano-Polish reconciliation and paid more than one visit to Auschwitz, I would say to Mr Marchais that I have met Polish communists who spoke in different terms of peace and did not succumb to national temptations as Mr Marchais has done here today.

We must speak of peace in this House and I hope that all democrats will only discuss the subject of armaments in the context of defence.

(Applause)

President. — I call Mr Haagerup.

Mr Haagerup. — *(DK)* Madam President, there can be no doubt in my opinion that economic, employment and defence considerations all argue in favour of a more effective and expanded European defence industry; I would, however, remind you of what Mr Davignon has already rightly said, that many branches of industry cannot make a clear cut distinction between military and civil production. The real problem, however, is whether a real Community initiative, such as that suggested by the Klepsch report of May 1978 and the question to the Commission on the opening of real negotiations with NATO, can further these objectives at the moment. The argument in favour of this initiative, which, according to the Klepsch report, should include the creation of a European Armaments Agency in which the Community acted as a single entity, is that it is no longer possible to continue with so called non-coordinated *ad hoc* arrangements, for instance, the Independent European Programme Group (IEPG).

Whilst I find the idea of promoting greater coordination of the European defence industry in its widest sense perfectly logical and correct, it should not be overlooked that the question as formulated here could give the impression — even if it is the wrong impression — that the Community is thereby assuming an active and independent rôle in defence policy.

The proposal for a direct Community rôle in the armaments industry will be criticized by those who consider NATO-affiliated structures or independent bodies such as the IEPG particularly well fitted for that task. It will also be criticized, as we have heard today, by those who feel that proposals of this kind run counter to the sovereign right and power of individual Member States to deal independently with all aspects of defence policy, including the procurement of arms and other military *matériel*. I do not share these objections myself, but they are a reality and cannot be ignored.

Haagerup

I therefore believe that the best course is to ask the Commission to follow carefully developments in all branches of European industry, including the defence industry, with a view to more effective coordination and expansion but without pressing too hard for the creation of a special armaments agency. For the time being, the present structure, with its individual bodies, including the IEPG, in which even the French are involved, is preferable to an actual Community initiative, which at present would do more harm than good.

President. — I call Mrs Boserup.

Mrs Boserup. — *(DK)* The people of Denmark have been told time and again that our participation in Community cooperation does not include questions of defence and security. The same is stated in the Treaties and, in his speech, the Commissioner was gratifyingly clear on this point.

I regard the debate in this Assembly on armaments production as a flagrant infringement of the Treaties and, in Denmark, it will be viewed as a breach of promise. The Danish people look on the Community with a great deal of scepticism, and a debate of this nature will change the cold scepticism of many Danes to deep disgust. The pretext of calling armaments production industrial policy is cynical and transparent. Armaments production can never be the same as the production of goods and technical aids for the benefit of mankind and the enhancement of the living standards of working people. Armaments production cannot be called industrial policy — at least not unless, by the same token, the mass production of poison can be called a policy of food aid to help eliminate famine in the world. This Assembly evidently suffers from delusions of grandeur in thinking that through its Bureau it can change unpleasant facts simply by giving them a nicer name.

Furthermore, I do not feel that the timing of this debate is accidental. The pace of rearmament is as great as ever, and the Americans are trying to fan the flames by pressurizing the European countries into procuring more offensive weapons. We can only construe the attempts to involve the Community in collaboration on weapons technology as part of these efforts to secure further rearmament in our countries.

What we need is disarmament, as only disarmament can ensure a peaceful world in which to live. Instead of taking initiatives on common armaments production, the Community countries — and note that I say 'countries', because I do not regard the Community in itself as a usable international instrument — should take an initiative on world disarmament. My detestation of armaments production, irrespective of where and how it takes place, compels me to conclude by saying that should any well-meaning persons — assuredly not me — have cherished the hope that the European Community was a peaceful and humane enterprise, they must have been severely disappointed.

President. — I call Mr de Goede.

Mr de Goede. — *(NL)* Madam President, ladies and gentlemen, yesterday I supported those Members who felt that a debate on this subject should take place. That does not, however, mean that I am happy with the content and nature of the debate as it is now taking place. I am slowly gaining the impression that we as the first directly elected European Parliament are missing the boat in a manner which is only too abundantly clear. We are concerning ourselves with matters of detail in a fragmentary manner. But the main policy themes have not yet been placed on the agenda.

To quote only two examples, I tried yesterday to ensure that tomorrow's debate on energy could take place on a broad basis and become a genuine debate on energy. Instead we are confining ourselves to oral questions on some aspects of the subject. I can see that the resolution by Mrs Bonino and other members, including me, on world hunger will not be debated; we shall be confining our attention instead to the Caribbean area and to the consequences of a hurricane there and of a fire in France.

Today we are talking about European and world security but confining ourselves to the aspect of a Community programme for armaments procurement. We are really missing the boat by confining ourselves to these secondary issues, however important they may be. Standardisation of armaments is obviously important. Coordination of their manufacture is no less important. A debate on the supply or withholding of the supply of armaments to the developing countries is clearly also important.

But in fact the real issue is the existence of an armaments industry. The existence of such an industry is not an autonomous fact but the result of a process — a process of mistrust which exists on both sides and is still being fostered. Mistrust is at the root of the whole issue. The Eastern bloc mistrusts us — and rightly so. We mistrust the Eastern bloc — and rightly. Why do we as representatives of 250 million Europeans not take the initiative here in Parliament of entering into a dialogue with members of Parliament from the Eastern bloc in order to ascertain whether it is not possible gradually to remove the mistrust which is the heart of the matter. That would be far more important than any discussion of Community programmes for the procurement of armaments. We need a Community programme to curb the arms race. That should be the task of this Parliament; we should use our potential and not shirk our responsibilities.

Madam President, if the resolution which has been tabled is rejected tomorrow it will give the impression that we must confine ourselves to a Community programme for the procurement of weapons — which is very far from the case. I believe that we should be

De Goede

discussing European security and if the resolution is rejected this Parliament will have restricted its own potential. I therefore hope that this resolution, and with it the oral question by Mr Fergusson and Mr von Hassel, will be referred to the Political Affairs Committee to enable the possibility to be explored of a political debate in this Parliament on security in Europe and elsewhere in the world. We in Europe find ourselves at the intersection of a growing conflict between the East and West, and between the North and South.

We cannot live in a world where poverty predominates together with the force of arms, and where the armaments industry continues to sell its products even to the developing countries. Let us discuss the heart of the matter: security and policy for peace. That is more important than the question now put by Mr Fergusson and Mr von Hassel.

President. — I call Mr Davignon.

Mr Davignon, Member of the Commission. — (F) Madam President, at this late hour I shall be very brief, especially as it is quite clear that a number of the major speakers in this debate attached no great importance to the Commission's answer.

I shall not return to the subject of our competence in this matter — I have already made the Commission's position perfectly clear. I am not surprised to find that Mr Marchais yet again heard something that was not said about the Communities' policy and failed to hear what was in fact said. That merely confirms something that we already knew.

I want to look for a moment at the armaments industry as it is today. It is not a clearly defined sector and anyone who suggests that it is must be mistaken. Industry in general, in the aviation, components, advanced technology and materials research sectors, works for the armaments sector today. Very often defence contracts are only a small part of the activities of these undertakings. I was greatly surprised to hear Mr Messmer say that in general the situation of the industries working in the armaments sector was satisfactory. He was forgetting that for the most part the necessary supplies to this industry do not come from Europe. I would not like to quote to you the share of American technology in certain aircraft produced exclusively in a Community country.

The Americans hold a key share because we did not make the necessary investments at the right time or organize the cooperation which is vital to manufacture the instruments without which these aircraft — civilian or military — simply could not fly. Secondly, it is quite wrong to suggest that we are trying to lay down an overall Community programme. We are merely seeking to use all the possibilities for cooperation so that industrial production in the armaments and other

sectors can be the most effective, the most economical and the most beneficial to our economy.

I have heard totally conflicting arguments put forward in this debate. I cannot accept, speaking for the Commission, the suggestion that, through the development of our monetary policy, internal market policy and industrial policy, we do not have as our primary responsibility the creation in Europe of a climate of stability and economic security in which employment can develop. This cannot be done through a single action but through a policy of understanding and agreement which it is the Commission's foremost responsibility to develop wherever necessary.

I come now to the two specific questions put to me by Mr Fergusson and Mr von Hassel. What do we propose to do? I shall tell you what the Commission will continue to do and the Parliament will have occasion to debate our policy shortly. Mr von Hassel asked me what we are doing to stimulate industrial cooperation. In the budget debate, Parliament will have to take decisions on the Commission's proposals to stimulate industrial development in the sector of technology, helicopters, materials research, shipyards and the textile industry. It will have to say whether it wishes to give us the means to improve this cooperation in Europe. It would be all too easy to criticize us for not being effective while at the same time refusing us the means to pursue this overall policy. In the area of industrial policy, whenever the Commission feels that public orders — in the military and civilian sector — are a useful instrument for further development, it will say so, explain the reason and suggest methods to be adopted. While fully respecting national sovereignty and independence and the policy options of our Member States, and without wishing to interfere in the debates on the definition of programmes which will take place elsewhere, we shall say why opportunities for European industry and economic stability have been highlighted. And if that does not concern our genuine independence, I do not know what does.

(Applause)

President. — I call Mr Fergusson.

Mr Fergusson.— President, this debate has been so important, I believe, for this Parliament that I must make a few closing remarks, if I may do so without stretching your patience too far, or that of those who are still with us.

The discussion has been in many ways extremely revealing; at its worst it has shown how some of us, studiously developing their fear of supranational involvement, are out of touch with the feelings of so many young people in the Community today. At its best, it seems to have shown how close our international cooperation is to the industrial survival of the Community, and, with Mr Pflimlin's speech, how important we regard everything affecting our security.

Fergusson

I must express my sincere thanks to Mr Davignon for his considered and very sensible and sensitive replies to the questions put to him. I remain sorry that, as he said at the beginning, only the preliminary work has been done to carry out Parliament's original request. I hope he will tell us more, perhaps within the next six months or not much later.

Mr Glinne said that a debate about what he called spending money on weapons of death was a wrong priority. I should have liked to ask him, if he had been here, in a philosophical vein whether he would consider a shield a weapon of death. But I must be content with saying that he has missed the point. Our objective is the more efficient use of existing funds spent on arms, no more, with the benefits, among other things, that this can bring to our own advanced peaceful technology in Europe, a matter which Mr Messmer might take note of — and Mr Galluzzi too, with his concern at dubious arms exports.

There were many references made to the danger of the final ever-tilting of transatlantic arms sales in America's favour. This, however, is something that America wants even less than its other nightmare, which is the possibility that Western Europe might attempt total independence in the matter of arms. The main thrust of the initiative taken in May 1975 by the Defence Ministers of the Alliance, and later on by Dr William Perry in his famous initiative last year, was towards establishing an equitable two-way street in arms sales and increasing the efficiency of arms production in the free world. Politically speaking, now, more than ever before and more than a year ago, and I would say this to Mr Friedrich, is the time to construct an end to that two-way street in the shape of an integrated European production.

So to conclude, Madam President, I must thank you for so bravely defending the right of this Parliament to discuss whatever it wishes to discuss. Last night's crushing vote was, I think, our endorsement of that decision. You will understand that this question was not put down to annoy those who have different ideas from my own about how to preserve our security. They have had their say, and their sensibilities are fully understood. I hope, therefore, that they may be persuaded from now on to travel willingly with us in a vital matter of industrial and economic policy affecting the independence and prosperity of all our people.

President. — To wind up the debate, I have received the following motions for resolutions, each with a request for an early vote pursuant to Rule 47 (5) of the Rules of Procedure :

- by Mr Druon, Mr Debré, Mr Messmer, Mr Lalor, Mr Nyborg and Mrs Ewing, on behalf of the Group of European Progressive Democrats (Doc. 1-340/79);
- by Mr Jaquet, Mr Sarre, Mr Mauroy, Mr Estier, Mr M. Faure, Mrs Castle, Ms Clwyd, Mr Lomas, Mr Seal and Mr Boyes (Doc. 1-350/79);

- by Mr Marchais, Mr Ansart, Mr Baillot, Mr Chambeiron, Mr Damette, Mrs De March, Mr Denis, Mr Fernandez, Mr Frischmann, Mr Gremetz, Mrs Hoffmann, Mrs Le Roux, Mr Maffre-Baugé, Mr Martin, Mr Piquet, Mrs Poirier, Mr Pranchère, Mr Vergès and Mr Wurtz (Doc. 1-352/79).

The vote on these requests will be taken at the beginning of tomorrow's sitting.

The debate is closed.

11. Urgent Procedure

President. — I have received nine motions for resolutions with request for urgent debate pursuant to Rule 14 of the Rules of Procedure :

- by Mrs Barbarella, Mr Bersani, Mr Ceravolo, Mr Galluzzi, Mr Gouthier, Mr Ippolito, Mr Lezzi, Mr Pappapietro, Mr Ruffolo and Mr Veronesi on the earthquake in Central Italy (Doc. 1-334/79),
- from Mrs Caretoni Romagnoli, Mr Didò, Mr Rumor, Mr Gouthier, Mr Jaquet, Mr Bersani, Mr Ferrero, Mr Schmid, Mrs Gaiotti De Biase, Mr Galluzzi, Mr Lezzi, Mr Michel, Mrs Squarzialupi, Mr Zagari, Mr Moreau, Mr Spinelli, Mr Walter, Mr Penders, Mr Pelikan, Mr Arfé, Mr Gatto, Mr Oehler, Mr Ripa di Meana, Mr Ruffolo and Mr Estier on emergency aid to Nicaragua (Doc. 1-335/79),
- from Mr Coppieters, Mr Pannella, Mrs Bonino, Mr Blaney, Mrs Castellina, Mr Capanna, Mr Lyngé, Mr de Goede, Mrs Dekker and Mr Verroken on the rulings of the 'Cour de Sureté de l'État' of the French Republic in the light of Articles 6 and 13 of the European Convention on Human Rights (Doc. 1-336/79),
- from Mrs Le Roux, Mrs Poirier, Mrs De March, Mr Fernandez, Mr Piquet, Mr Martin, Mr Chambeiron, Mr Ansart, Mr Wurtz and Mr Gremetz on the British decision concerning crawfish catches (Doc. 1-338/79),
- from Mrs Bonino, Mr Coppieters, Mr Pannella, Mr Capanna, Mrs Castellina, Mr Gendebien, Mr Blaney, Mr Cecovini, Mrs Spaak, Mr de Goede and Mrs Dekker on world hunger (Doc. 1-322/79/rev.).

This Motion replaces the motion for a resolution tabled by Mr Panella and others on world hunger, which was tabled on 24 September 1979 pursuant to Rule 25 of the Rules of Procedure and referred to the Committee on Development and Cooperation as the committee responsible and to the Political Affairs Committee for its opinion ;

- from Mr Barbagli, Mr Gonella, Mr Adonnino, Mr Filippi, Mr Sassano, Mr Costanzo, Mr Colleselli, Mr Barbi, Mr Ghergo, Mr Giavazzi and Mrs Cassanmagnago Cerretti, on the earthquake in Central Italy (Doc. 1-342/79);
- from Mr Habsburg, Mr Klepsch, Mr Rumor, Mr Seitlinger, Mr Penders, Mr Nothomb, Mr Fischbach and Mr Ryan, on behalf of the Group of the European People's Party (C-D Group), on the situation in Afghanistan (Doc. 1-343/79);

- by Mr Klepsch, on behalf of the Group of the European People's Party (C-D Group), on Rule 7A of the Rules of Procedure (Doc. 1-344/79); and
- by Mr Scott-Hopkins, on behalf of the European Democratic Group, on Rule 7A of the Rules of Procedure (Doc. 1-349/79).

The reasons justifying these requests for urgent procedure are given in the documents concerned.

I shall consult the House on these requests at the beginning of tomorrow's sitting.

12. *Agenda for the next sitting*

President. — The next sitting will take place tomorrow, Wednesday, 26 September 1979, at 10 a.m. and from 3 p.m. until 8 p.m. (possibly, until 9 p.m.):

- Decision on urgency of nine motions for resolutions
- Decision on requests for an early vote on five motions for resolutions
- 4 oral questions with debate, 2 to the Council and 2 to the Commission, and 1 oral question without debate to the Commission on energy problems;
- Oral question with debate to the Foreign Ministers on European political cooperation;
- Oral question with debate to the Foreign Ministers on the common system of extradition;
- Oral question with debate to the Council and oral question without debate to the Council on sheep-meat;
- Oral questions without debate to the Council and Commission on South-East Asian refugees;

- Oral question with debate to the Commission on the massacres in the Central African Empire.

3 p.m.:

- *Question Time (questions to the Council and Foreign Ministers)*

4.30 p.m.:

- Possibly, voting-time
- Election of Quaestors

In addition, I should like to express my sincere regrets to the staff, to whom we have given the undertaking that there would be no more than one night-sitting during the part-session. I had thought, on the basis of our calculations, that we could finish at 9 p.m. It is now past 10 p.m., and I am aware of the inconvenience they have been caused. I sincerely regret that we have had to hold this debate this evening, on which many Members insisted in view of the various timetables that had been drawn up, but it is my sincere and, indeed, firm wish that we should have no more sittings that finish at 10 p.m. without prior notice having been given.

At all events, I wish to thank those who have enabled us to continue this sitting efficiently until this late hour.

(Applause)

The sitting is closed.

(The sitting was closed at 10.05 p.m.)

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IN THE CHAIR : MRS VEIL

President

(The sitting was opened at 10.05 a. m.)

President. — The sitting is open.

1. *Approval of minutes*

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

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

2. *Documents received*

President. — I have received the following documents :

- an interim report (Doc. 1-341/79) by Mr Seefeld, on behalf of the Committee on Transport, on the Memorandum from the Commission on the contribution by the European Communities to the development of air transport services :

— a motion for a resolution (DOC. 1-330/79) by Mr Coppieters, pursuant to Rule 25 of the Rules of Procedure, on the setting up of a committee on the status of women,

which has been referred to the Committee on the Rules of Procedure and Petitions as the committee responsible, and to the Committee on Social Affairs and Employment for its opinion ;

— a motion for a resolution (Doc. 1-331/79) by Mr Coppieters, pursuant to Rule 25 of the Rules of Procedure, on the setting up of a special committee to study the problems arising from the multilingualism of the European Community

which has been referred to the Committee on the Rules of Procedure and Petitions as the committee responsible, and to the Political Affairs Committee and the Committee on Budgets for their opinions.

3. *Organization of debates*

President. — In view of the circumstances of yesterday's sitting, which meant that we finished our work much later than planned, I thought it would be a good idea to organize the debates better, especially as we have a very full agenda for today and cannot carry any item over to tomorrow, when there is another full agenda. Consequently, I propose that Members wishing to speak on items on today's agenda put their names down by 11 o'clock at the latest.

President

Are there any comments?

I call Mr Pannella.

Mr Pannella. — *(I)* Madam President, I fully understand your concern, which I share, but quite frankly I am amazed at your proposal. Until we have any proof to the contrary, this is a parliament — in other words, a forum for the cut and thrust of debate. Asking people to put their names down to speak before a debate begins — because this is what you are asking us to do — is unheard of in a parliament. Until we are informed otherwise, it is our duty to defend in quite unequivocal terms the right to give a fair hearing to what is said and then, on the basis of this, to ask leave to speak or not to speak or, as the case may be, not to make the speech we were going to make because others have said it for us. Attempts to streamline the proceedings are all very well, Madam President, provided we realize that this is a parliament and that you cannot ride roughshod over the Rules of Procedure with the aim of streamlining things. There is a place for such proposals; it is not here. Madam President, I share your concern and I agree that we should make every effort to inform you, by way of the groups, of the speeches that are going to be made. But I categorically reject your proposal — because it is quite untenable — that we set a deadline for putting down our names to speak before the debates begin.

President. — I should like the chairmen of the political groups to meet in my office at 11 o'clock to discuss the situation and to consider the list of those who have put their name down to speak. Parliament will then be asked to decide on the proposals drawn up by the chairmen. I should like to point out that, unless something is done, we shall be unable to get through the agenda by Friday.

I call Mr Pannella.

Mr Pannella. — *(F)* I am sorry, Madam President, but I feel I cannot comply with your behest — indeed, I am inclined to call it an order. For my part, I shall not put my name down before 11 o'clock because I do not want there to be any violation of the basic rights guaranteed to Members by the Rules of Procedure.

President. — I call Mr Almirante.

Mr Almirante. — *(I)* Madam President, ladies and gentlemen, as a non-attached Member, I shall not even have the vicarious honour of participating in the chairmen's meeting. I beg leave, therefore, to seek an explanation and to put forward a proposal which I trust will be favourably considered by the chairmen at their meeting or by you, Madam President, at this time. I wish to ask whether explanations of vote, in accordance with the strict provisions of the Rules of Procedure, will be permitted. Should this be so, the non-attached Members will naturally have an opportu-

nity to give an explanation of vote and thus speak on the subjects on which they feel a need to speak. I should be grateful for an answer to this query. If the answer is to be 'no', I trust that the group chairmen will remember that the non-attached Members would be prevented from speaking.

President. — Mr Almirante, the chairmen will be mindful of the rights of the non-attached Members. Nothing has been decided yet, but it is essential that agreement is reached on the conduct of our business if we want to get through it all by the end of this part-session.

I call Mr Klepsch.

Mr Klepsch. — *(D)* Madam President, I think your proposal is very sensible. I fail to see how the rights of any Member are going to be infringed if we decide with regard to our business today that speakers should have their names down by 11 o'clock. This is something the House can decide on, so that we have some idea of how many speakers there are going to be and of how much speaking time the President can allow, to enable us to get through our work. I find it perfectly reasonable if everyone who wants to speak has to put his name down by 11 o'clock. I fail to see how anyone's rights are being infringed, since everyone is free to put his name down. At 11 o'clock we can then see how we are going to cope with the agenda. I also think it is a sensible idea to call a meeting of the group chairmen to look at the situation and to put proposals to the House. In my view, if there is any more opposition to this procedure, the matter should simply be put to the vote, because Parliament is perfectly entitled to organize its own work. If every one of our 410 Members were determined to spend as much time talking about procedure as Mr Pannella does, we should never get any work done.

(Applause)

President. — I put to the vote the proposal that Members wishing to speak on items on today's agenda should put their names down by 11 o'clock. The proposal is adopted.

I call Mr Pannella on a point of order.

Mr Pannella. — *(F)* Madam President, you just cannot put to a simple majority vote one of the Rules of Procedure. Here in this Parliament, or in any kind of parliament, we cannot take a simple majority vote to change something in the Rules of Procedure: 'Members shall ask leave to speak in accordance with the subjects of the debates to be held'. You must not make any assumptions about our intentions to speak in debates which have not yet begun.

I do not believe this was a democratic vote, Madam President, and I feel you could have had the graciousness to listen to those who were against the vote.

President. — Mr Pannella, the Chair has an impossible choice to make, between the point you have just made and the need to come to terms with a very long agenda. It is, nevertheless, my responsibility to organize the debates in such a way that they are properly concluded.

(Applause)

It was for this reason that I made the entirely democratic proposal to meet the group chairmen and to discuss with them the organization of our debates, without this in any way affecting any proposals that we might wish to make together.

4. Decision on urgency

President. — The next item is the decision on the urgency of nine motions for resolutions. I shall call only those who are entitled to speak in accordance with Rule 14 of the Rules of Procedure.

We shall begin with the two motions for resolutions (Docs 1-334/79 and 1-342/79): Earthquakes in Central Italy.

The reasons supporting this request for urgent debate are contained in the documents themselves.

In keeping with procedure in the past, I propose that we take a single vote with regard to these two motions for resolutions.

Since there are no objections, that is agreed.

I put to the vote the request for urgent debate.

The request is approved.

I propose that these motions for resolutions be placed on the agenda for the sitting of Friday, 28 September 1979.

Since there are no objections, that is agreed.

* * *

President. — We shall now consider the *motion for a resolution (Doc. 1-335/79): Emergency aid to Nicaragua.*

The reasons supporting this request for urgent procedure are contained in the document itself.

Mrs Baduél Glorioso has indicated that she wishes to be associated with this motion for a resolution.

I put to the vote the request for urgent procedure.

Urgent procedure is adopted.

I propose that this motion for a resolution be placed on the agenda for the sitting of Friday, 28 September 1979.

Since there are no objections, that is agreed.

The House will be aware that Friday's agenda will be particularly full. It is therefore likely that Friday's sitting will not be restricted to the morning.

* * *

President. — We shall now consider the *motion for a resolution (Doc. 1-336/79): Jurisdiction of the French Cour de Sécurité de l'État in the light of Articles 6 and 13 of the European Convention on Human Rights.*

I call Mr Coppieeters.

Mr Coppieeters. — (NL) Madam President, ladies and gentlemen, discussion of the basic principle contained in this motion for a resolution can indeed wait, even though this has long been an urgent matter in Europe, in view of the tense situation arising in various countries from the lack of adequate statutes. I am requesting urgent procedure, not for the sake of the principle itself, but rather because this is a test case.

A group of Breton nationalists is currently being tried before the French *Cour de Sécurité de l'État*. The International League for the Rights of Man has already expressed its concern. Moreover, the very way the case is being heard raises a number of questions concerning human rights. The principle of nationalist movements in our free nations is currently at stake and I therefore feel that there is every justification for this request for urgent procedure.

(Interruption: There should be no interference in the domestic affairs of a nation. It's outrageous!)

President. — I call Mr Druon to speak against the request for urgent procedure.

Mr Druon. — (F) I am against this request for urgent procedure, in the first place because this Assembly has no competence in this matter, which is the sole concern of our sovereign States. The motion for a resolution is a blatant attack on French justice. I should like to remind the House that in France, the home of the Declaration of Human Rights, the *Cour de Sécurité de l'État* does not enjoy the jurisdiction of an exceptional court but is a specialized court which rigorously complies with the French penal code and where defence rights are scrupulously respected.

I could add that a citizen's right to his own culture does not include, among other crimes, putting bombs in museums.

(Applause)

The Community replied in a similar situation on 9 February 1976, on the occasion of an oral question with debate (Doc. 493/75), that it was not competent in this matter. I ask the House to comply with this ruling and to reject urgent procedure.

(Applause)

President. — I call Mr Klepsch.

Mr Klepsch. — (*D*) Madam President, I too am against urgent procedure, although I naturally cannot support the arguments of the previous speaker. The committee will consider the matter, even if urgent procedure is not adopted.

President. — I call Mrs Ewing for an explanation of vote.

Mrs Ewing. — This motion for a resolution is premature because the Europe of regions conference which met in Copenhagen last week, and which I addressed and which was also addressed by a distinguished Member from Brittany, has a resolution coming to you all on general terms. I feel, therefore, that this motion is premature, and I shall have to vote against it.

President. — I put to the vote the request for urgent procedure.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

(*Mixed reactions*)

President. — We shall now consider the *motion for a resolution (Doc. 1-338/79): British decision concerning crawfish catches.*

I call Mrs Leroux.

Mrs Leroux. — (*F*) Madam President, in France and especially Brittany feeling is running high after the boarding of two lobster boats by the Royal Navy. Yesterday, in every port from Sables d'Olonne to the north of Finistère, 3 000 fishermen stopped work. In solidarity with them, schools, public offices, factories and shops also closed.

These British decisions are merely anticipating the decisions which Brussels is expecting to take in agreement with the French Government and they are a threat to the entire non-industrial fishing trade in France. And for every job at sea, there are another four jobs at risk on land. In view of these factors, we request urgent procedure for this motion for a resolution.

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

Mr Fellermaier. — (*D*) Madam President, I propose that urgent procedure be rejected. This whole business of fishery policy covers crawfish catches as well. The

Committee on Agriculture will have to give calm and careful consideration to what the authors want here, and then submit recommendations to the House.

President. — I call Mr Harris.

Mr Harris. — I shall certainly vote against the application for urgent debate, partly because I am informed that the fishing boats concerned were in fact using meshes well below the standards which had been in force for over ten years. Indeed, if there is any urgency about this whole matter, it is about the way we have failed to reach a common fisheries policy. I believe the French are trying to exploit this particular opportunity. I believe the application should be refused.

President. — I put to the vote the request for urgent procedure.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

* * *

President. — We shall now consider the *motion for a resolution (Doc. 1-322/79/rev.): World hunger.*

I call Mr Pannella.

Mr Pannella. — (*F*) Madam President, I have learned this morning that Mr Klepsch has also tabled a motion for a resolution on this subject. I think it might be a good idea if you did what you have done in other cases and considered together with the other motion this motion for a resolution which Mr Klepsch has tabled on behalf of the Group of the European People's Party. Is this feasible, Madam President? I am referring to Doc. 1-327/79.

President. — I call Mr Klepsch.

Mr Klepsch. — (*D*) Very briefly, I should like to explain the difference. My group — and other groups, too, I believe — have tabled motions on the same topic so that they can be called here in the House and referred to the appropriate committees. In this way we shall be able to have in October a debate on this matter which has been properly prepared by the three parliamentary committees. As a result, we have not requested urgent procedure. The same goes for the other groups which to my knowledge have tabled or are going to table motions for resolutions. We want to have a debate which has been thoroughly prepared, so that solid proposals will come of it. We feel that the

Klepsch

significance and gravity of this matter are too great to be settled here and now with a general statement that we are all against world hunger. For this reason all the groups agreed — and we had also agreed this with Mr Pannella's secretary and with a representative of his group — that no one would request urgent procedure today, since there is no time for a debate this week and no time to prepare one. Perhaps he will now understand why we have not asked for an urgent debate and why this item is not on the agenda. He apparently wants an urgent debate, in spite of the agreement his group made with the other groups.

President. — I call Mr Pannella.

Mr Pannella. — (I) Madam President, I want to convey to Mr Klepsch that I am practically speechless, because his document — it is Doc. 1-327/79 — is actually worded:

The European Parliament hereby decides that the competent committees will be instructed, as a matter of the utmost urgency, to consider the problem and propose practical solutions which Parliament will discuss at its next part-session in October.

Mr Klepsch, if this is what you are proposing to Parliament, so that there can be a debate in October, we ought to get on and vote on your motion now, at this part-session, because this is the last one before the October one. Otherwise your motion is going to stand rejected.

Madam President, I meant to say that this request for urgent procedure is more than justified by the fact that more than three million people are going to die of hunger in the next fortnight. Is this not a good reason for an urgent debate?

What I propose is this, Madam President: let us vote in favour of urgent procedure for the Klepsch motion, which otherwise is going to stand rejected if it is not discussed during this part-session.

President. — It is not up to me to include Mr Klepsch's motion in this request. It was not down on the agenda to be considered for an urgent debate. It is my view that a motion for a resolution is the responsibility of its author and not of anyone else.

I call Mr Glinne to speak on behalf of the Socialist Group.

Mr Glinne. — (F) I just want to say that our group also tabled a motion on this subject. The idea was — if Parliament agreed — to have the matter discussed by the appropriate committees over the next two or three weeks so that at the next part-session in October Parliament could consider the various motions.

(Applause)

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

Mr Ferrero. — (I) Although the Communist Group is against the idea of an urgent debate, it is certainly not because we believe that the problems of hunger, and poverty and underdevelopment in general, do not present a tragic and urgent need. It is precisely because there is this tragic and urgent need that we must tackle the problem in a serious and thorough manner. Here and elsewhere, we are against using this issue as an excuse for initiatives which are more likely to be party motivated than effective in any way. It is for this reason that our group has tabled a motion for a resolution on world hunger without asking for an urgent debate during this part-session. We believe — as do other groups, for that matter — that on an issue of this kind it would be better to avoid a debate which, if it were to be held during this part-session, would almost be bound to be hurried and superficial. We are in favour of referring all the motions to the Committee on Development and Cooperation, which will give them the urgent attention they need, of course, but it will also consider them thoroughly, so that when the October part-session comes round we shall be able to have a serious and proper debate here in the Chamber.

President. — I put to the vote the request for urgent procedure.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

* * *

President. — We shall now consider the *motion for a resolution (Doc. 1-343/79): Situation in Afghanistan*.

I call Mr Habsburg.

Mr Habsburg. — (D) Madam President, this Parliament has thankfully given its attention to a number of human rights issues, particularly in the case of Cambodia, the Central African Empire or Republic, and Argentina. We have not yet included in our discussions a country where the situation is perhaps just as desperate as in Cambodia. I refer to Afghanistan, which for several months has been the arena for a civil war in which not only a so-called Afghan government, imposed from abroad, is turning against the population but a foreign aggressor is involved and is actually pursuing a policy of genocide. To date there are already more than 150 000 refugees. Every day aircraft are strafing the villages of tribesmen in Afghanistan. In these awful circumstances, we would ask Parliament for a categorical statement on these events. I ask the House to adopt urgent procedure, Madam President.

President. — I call Mr Pannella.

Mr Pannella. — (I) Madam President, I shall vote in favour of this request in line with the vote cast in favour of urgent procedure for all the motions of human rights. I shall be voting in favour even though I feel that many of the motions, and particularly this one, smack not a little of hypocrisy and cant. A second ago the honourable Member declined to vote in favour of an urgent debate on the three million people who are going to starve to death in the next few weeks, but he is really very concerned about 150 000 refugees from Afghanistan. To be consistent, I am going to vote for an urgent debate, but I want to point out how inconsistent and, probably, how politically motivated the thinking in this motion is.

President. — I put to the vote the request for urgent procedure.

Urgent procedure is adopted.

I propose that the motion for a resolution be placed on the agenda for the sitting of Friday, 28 September 1979.

Since there are no objections, that is agreed.

* * *

President. — I now consult Parliament on the adoption of urgent procedure in respect of two motions for resolutions (*Docs 1-344/79 and 1-349/79 of the Rule 7A) of the Rules of Procedure.*

I suggest that we take a single vote on these two motions.

Since there are no objections, that is agreed.

I call Mr Klepsch.

Mr Klepsch. — (D) Madam President, in my opinion these motions have been tabled simply to provide the basis for passing the resolution this afternoon. Consequently, I feel it is pointless to spend too much time justifying the need for an urgent debate. We shall have to reach a decision on the number of quaestors and then elect them this afternoon. I therefore forego the right to speak in favour of urgent procedure.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — I have no intention of initiating a debate, Madam President. I would only ask you to take my proposal first and then Mr Klepsch's because mine is further away from the existing text. Therefore, without debate, I simply move formally that my proposal be put to the House first to see what happens, and after that Mr Klepsch's.

President. — Mr Scott-Hopkins, we have simply to vote on the question of urgent procedure. This afternoon, if the vote is in favour, we shall then discuss the matter thoroughly.

I put to the vote the request for urgent procedure.

Urgent procedure is adopted.

Rule 14 (3) of the Rules of Procedure leaves it to the discretion of the President to accord a place on the agenda for urgent debates. I shall therefore enter these two motions as the first item on today's agenda, with voting this afternoon, before the election of the quaestors.

I should appreciate it if those intending to stand would inform me before 12 noon, so that the ballot papers can be printed in time.

I call Mr Patterson on a point of order.

Patterson. — Madam President, before we move on to the next item on our agenda, I seek your guidance on the arrangements, if any, for tabling amendments to the next five items. As I read Rule 29, it says Parliament shall not deliberate on any amendment unless it is moved during the debate. Now, in at least the last three cases the texts of the resolutions were not available during the debate. Rule 47 says that if we accept these on our agenda, only explanations of vote shall be permitted. In those circumstances, is there any mechanism for tabling amendments? If there is no mechanism for tabling amendments on resolutions which were not moved and available during the debate, should they not be withdrawn altogether?

5. Decision on requests for an early vote

President. — I shall now consult Parliament on a series of requests for an early vote, pursuant to Rule 47 (5) of the Rules of Procedure.

Since the authors have already spoken during the debates in support of the motions which were tabled at the close of the debates, and in order to expedite the business of the House, I should be grateful if they refrained from repeating their arguments.

I put to the vote the request for an early vote on the *motion for a resolution (Doc. 1-337/79): Abolition of compensatory amounts.*

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

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President. — I put to the vote the request for an early vote on the *motion for a resolution (Doc. 1-332/79): Butter exports to Russia.*

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

* * *

President. — We shall now consider the *motions for resolutions (Docs. 1-340/79, 1-350/79 and 1-352/79):*

President

Community armaments procurement programmes within the framework of industrial policy.

I call Mr Ansart.

Mr Ansart. — (F) Madam President, just before this debate on armaments ends, I should like to outline on behalf of the French Communists and allies our views on the motions which have been put forward.

Firstly, let me say we have no intention, here any more than elsewhere, of condoning double talk or duplicity. This is why we are not going to vote on the motion tabled by the European Progressive Democrats, since in France they follow a majority policy but here they are ready to ignore our national defence and concede more and more power to this Assembly, to the detriment of France's national sovereignty.

We are not going to vote on the motion by some of the Socialist Members, either. The motion is not clear in our view. There is no clear statement on the policy of national defence or on the big question of power and responsibility which is at the heart of this debate. The motion concludes that the debate is ill-timed. In our opinion, it is not a question of timing but one of principle. Furthermore, this motion would seem to be the result of a painstaking compromise dictated by the unflinching battle we are waging to defend our national independence against the encroaching powers of this Parliament. And this morning's debate has shown, Madam President, that it is high time we discussed these powers, because otherwise people are going to be able to drag up any old subject for discussion and have it pushed through on a simple majority. It is high time we discussed this.

Consequently, our vote will go only to the motion tabled by the French Communists and allies, since we feel that this is the only motion which is free of woolly ambiguity.

President. — I put to the vote the request for an early vote on the motion for a resolution numbered Doc. 1-340/79.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

I put to the vote the request for an early vote on the motion for a resolution numbered Doc. 1-350/79.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

I call Mr Ansart.

Mr Ansart. — (F) You have just said, Madam President, that you are going to refer these texts to the appropriate committee, but we repeat that this Parliament has no power in this matter.

(Mixed reactions)

President. — I put to the vote the request for an early vote on the motion for a resolution numbered Doc. 1-352/79.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

I call Mr de la Malène on a point of order.

Mr de la Malène. — (F) Madam President, this is an important political question and we really have to know to which committee you are going to refer these three motions. We ought to be informed immediately, on account of the political importance of this question.

President. — This will be decided by the Bureau on Thursday, Mr de la Malène.

It is now 11 o'clock. As was announced earlier, I shall now suspend the sitting in order to meet the group chairmen and discuss how we are going to organize the rest of the debates.

I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Madam President, if you suspend the sitting, we shall lose another half hour. Could we not start the debate on energy, coal and oil? I am sure that the House will excuse the chairmen of the political groups if they absent themselves to go to your room for a discussion. One of the Vice-Presidents can take over the chair. But do not let us stop now, since we are losing enough time as it is.

President. — I thought of this solution but rejected it because we could start debates which subsequently we might wish to place elsewhere on the agenda. But as the spokesmen for the groups are likely to want to speak, we can start the debate on the understanding that we attempt to achieve as quickly as possible a decision on the further organization of our business.

IN THE CHAIR : MR GONELLA

Vice-President

6. Urgent procedure

President. — I have received a motion for a resolution (Doc. 1-356/79), tabled pursuant to Rule 14 of the Rules of Procedure by Mr Radoux, Mrs Lizin, Mr

President

Colla, Mr Delmotte, Mr Delors, Mr Glinne, Mrs Hoff, Mr Linde, Mr Linkohr, Mr Van Miert and Mr Vernimmen, seeking an urgent debate on the recent parity adjustments within the EMS.

The reasons supporting this request for urgent debate are contained in the document itself.

I shall consult Parliament on this request at the beginning of tomorrow's sitting.

7. Energy problems

President. — The next item is the joint debate on :

- oral question with debate (Doc. 1-290/79), tabled by Mr Seligman on behalf of the European Democratic Group, to the Council :

Subject : Community coal industry

In the light of the Strasbourg and Tokyo summit meetings, what are the obstacles to Council decisions on the Commission's proposals for the Community's coal industry ?

- oral question with debate (Doc. 1-291/79), tabled by Mr Seligman on behalf of the European Democratic Group, to the Commission :

Subject : Community's dependence on oil. Would the Commission define the guidelines for Community energy policy in the light of the Strasbourg and Tokyo summit meetings, having regard to the need to reduce the Community's dependence on oil ?

- oral question with debate (Doc. 1-295/79) by Mr Gallagher, Mr Adam, Mr Rogers, Mr Boyes, Ms Clwyd, Miss Quin and Mr Griffiths to the Council :

Subject : Community coal policy

What steps has the Council taken to implement Parliament's resolution of 16 February 1979 on Community financial measures for intra-Community trade in power station coal¹ particularly with regard to :

- paragraph 2 of the Resolution which called for the strict observance of the Community energy policy objective laid down on 17 December 1974, whereby hard coal production should be maintained at a level of 250 million tonnes ;
- paragraph 8 of the resolution which called on the Council to adopt the Commission proposals still outstanding on the use of coal for electricity generation and on cyclical stocks ?
- oral question with debate (Doc. 1-296/79) by Mr Gallagher, Mr Adam, Mr Rogers, Mr Boyes, Ms Clwyd, Miss Quin and Mr Griffiths to the Commission :

Subject : Community coal policy

What steps has the Commission taken to implement Parliament's resolution of 16 February 1979 on the Community financial measures for intra-Community trade in power station coal¹ particularly with regard to :

- paragraph 4 of the Resolution which proposed that the Commission, in the interests of long-term energy supplies, should prepare long-term contracts with coal-exporting third countries ;
- paragraph 11 of the Resolution which requested the Commission to draw up a report without delay showing what 'safeguard measures' it proposed to take in favour of Community investments in the coal-mining industry ;
- paragraph 14 of the Resolution which called on the Commission to amplify its proposed subsidy system as soon as possible by the addition of specific proposals for maintaining Community coal production capacity ?
- oral question without debate (Doc. 1-285/79) by Mr Radoux to the Commission :

Subject : Synthetic fuel

In the search of additional sources of energy and substitute products, it will be recalled that during the last world war recourse was had to new resources such as synthetic fuel.

Can the Commission state :

1. Whether this method of producing energy is still viable ?

(a) if so, is it used and in what circumstances ?

(b) if it is not used, why not ?

2. If not, why not ?

I call Mr Seligman.

Mr Seligman. — Mr President, there are two oral questions down in my name for this debate. I propose to deal with both in the same speech, which will not last, I hope, more than ten minutes.

In my first question I asked what obstacles prevent the Council from taking a decision on the Commission's three proposals for the coal industry. These three proposals have been on the table for three years and they are still awaiting a decision. Meanwhile the situation in the Community's coal industry is deteriorating steadily. These three proposals cover intra-Community coal trade, financing of cyclical stocks and the third proposal, which is the one I regard as by far the most important, also concerns financial resources to promote the use of coal in oil-fired power stations.

When the European Council met in Strasbourg in June, the Heads of State agreed that the use of coal in power stations must be stepped up without delay, and Mr O'Kennedy in his speech on 19 July said that we

¹ OJ C 67 of 12. 3. 1979, p. 42.

Seligman

must emphasize greater use of coal. Yet on 11 September the Council of Budget Ministers in their wisdom decided that all additional expenditure on energy shall be stopped, apart from 105 million units of account for energy research and development. So once more the proposals for the coal industry have been shelved.

Mr President, what is going on? Does the Council of Budget Ministers realize that their action is in direct contradiction to the decisions of the Strasbourg Summit? Does the Budget Council not realize that the Community has given undertakings to the Japanese and the Americans to reduce its target for oil imports to 500 million tonnes a year? This cannot possibly be done without expenditure on energy conservation measures and on alternate sources of fuel, such as nuclear solar and geothermal. The most likely reason for this volte face, of course, is that all the money is needed for increased agricultural expenditure. What a ridiculous position we are in. 65 % of the Community's money is appropriated for agricultural expenditure. Farmers are only 10 % of the Community, and expenditure on energy, which concerns and is vital for the future prosperity of all members of the Community, including the farmers, is postponed indefinitely. Our great Community, the grand concept of Monnet, Schuman and Churchill, is in danger of becoming a farmer's benevolent society. Parliament must therefore demand that the Commission proposal for the conversion of oil-burning power stations to coal be approved by the Council and restored to the 1980 budget.

Furthermore, a coal substitution programme is also needed for industrial steam-raising plants and for domestic heating installations. This will certainly require a system of grants and loans, and it is no good for the Strasbourg Summit to demand great increases in coal consumption if at the same time it allows the Budget Ministers to slash the energy budget wildly and indiscriminately. A completely new approach to the energy budget is required before it is too late. Our Italian friends, who do not have a very substantial coal industry, may consider that the expenditure on conversion of Community power stations to coal is not in their interests. But they are wrong. The more oil we can save in the Community, the easier it will be to reduce oil imports to the target of 500 million tonnes. We are all in this struggle together.

There is one other important aspect of this matter. It is no good investing large sums to convert power stations to coal if coal production is not increased at the same time. We are short of coal already. The Community already has to import 50 million tonnes of coal a year out of its total consumption of 287 million tonnes. Therefore the Commission should make additional proposals for financial help to moder-

nize existing coal mines and open up new ones. How much of this expense is borne by Member States themselves, and how much by the Community is a matter to debate. But the whole operation should be coordinated and orchestrated by the Commission because it cannot be done adequately by the International Energy Agency of which France is not a member.

Now, I come to my second question in which I asked the Commission to define the guidelines for a policy to reduce the Community's dependence on oil. The Community is at present failing to get down to its target of 500 million tonnes of oil for 1979. We look like being 10 or 15 million tonnes above the target, which is very regrettable. But this is due to the severe winter at the beginning of the year and also to the fact that many nations are giving priority to economic growth. So we have got to catch up on this target. It has now been suggested, I believe, that the British should increase North Sea oil production substantially so that a surplus above our requirements can be available to other Member States, thus enabling them to achieve their oil import targets painlessly. Mr President, this is not possible. Britain is not prepared to accelerate the depletion of the limited reserves of oil in the North Sea, beyond achieving self-sufficiency, of course. But this self-sufficiency will help to achieve the Community import target.

Commissioner Brunner has said that \$50 billion are needed annually for new energy investments in the Community. I assume this covers the cost of energy conservation measures and the cost of constructing plants for the production of substitute fuels, such as nuclear power, solar, geothermal, alcohol from biomass, hydrogen fuel and nuclear fusion. The Commission should produce an up-to-date detailed list of these oil-substitution projects in each country, so that Parliament can express an opinion and judge on the priority of all these projects. But where is this huge sum of \$50 billion going to come from? Clearly our own-resources budget cannot provide it. Our Community consumes one-third of all the oil sold by OPEC countries, and we pay about \$ 80 billion a year for this oil. OPEC has a surplus of about \$44 billion. Where does this money go? It goes into the world money markets. We must quickly establish closer understanding with the OPEC nations, and initiate schemes to recycle this massive flow of money into investment in energy projects in the Community and in the developing countries. These schemes can only operate through some such facility as the Ortolani facility or through the European Investment Bank.

Mr President, OPEC must have the same interest in oil conservation as we have. They want to stem the huge flow of oil that is taking place. Oil is OPEC's only capital, their only wealth: oil which they sell is a wasting asset, oil that stays in the ground gains in value every year.

Seligman

Therefore it is vital that our leaders at the Strasbourg Summit should show their determination to follow through and achieve the oil import targets which we have set ourselves. Firm action will encourage the moderates in OPEC to restrain the others.

If the Community fails to reduce its dependence on oil imports, Mr Edward Heath has warned us that we shall soon be dictated to by the vast oil-rich power of 600 million Muslims stretching in a wide band from Pakistan in the East to Nigeria in the West. There are already signs that this political pressure is taking place. It is plain that the energy crisis is not one that should take second place to farm subsidies. This Parliament has a formidable responsibility of persuading our member governments to revise their whole approach to the Community energy budget.

(Applause)

President. — I call Mr Gallagher.

Mr Gallagher. — Mr President, we decided to table this question as properly elected Members of this Parliament in the pious hope that we might get some specific answers on certain aspects of the energy policy of this European Parliament and the Council and the Commission.

We are fully aware that it is agreed by all that we must move the energy base primarily from oil to other forms of energy. What we require is an energy policy which is realistic and practical, one that can be implemented with the least disastrous social effects on the people who reside in this Community. We fully appreciate the difficulties of switching, but we are deeply concerned — and I believe each and every member of the Committee on Energy is concerned — at the total lack of progress in this area of Community policy. The previous Parliament never disputed that we should attempt to use more energy resources from within the Community. That was the broad principle decided on not only by the present Committee on Energy, but also by the previous Parliament — but unfortunately we do not see much evidence of this occurring in some of the Member States, and there is opposition within the Council.

Now, where have any changes taken place? Although there is a tremendous amount of ballyhoo in the press and the other media saying that we are switching from oil to other forms of energy, where have the changes taken place? How many power-stations have we switched from oil to coal? How much effort have we made to persuade our partners within the EEC to burn coal which is mined within the Community? If we have made these efforts, then why do we have something of the order of 60 000 000 tonnes of coal stockpiled in the Community at this present time while we go on importing cheap coal from South Africa? And I would remind this House that this coal

is won by labour which is virtually slave labour, working in atrocious conditions for most of the time.

(Applause)

Have we offered the appropriate level of subsidy to those countries who will not use European-mined coal? That is a direct question.

We proceed to nuclear policy. Have we satisfied the people in the European Community that it is in fact safe to provide energy from nuclear sources?

We believe that an entirely nuclear-based programme would in fact create very few jobs and in addition would make redundant millions of people who are employed in other important energy sectors within the Community. It is quite useless for this Parliament to say that we have a regional policy and a social policy designed to create jobs within the Community if we intend to devise an energy policy which in itself would deprive thousands and probably millions of other people of work. The whole thing is contradictory.

We are here as directly-elected Members of this Parliament, and when one talks to Members the peculiar feature of the situation is that no one seems to disagree that we should have a comprehensive energy policy — or at least they do not disagree openly; but if that be the case, how does one explain the total lack of action so far on the part of both Commission and Council to implement the decisions of the previous Parliament and the wishes of the Committee on Energy of this particular Parliament? I do hope that we shall get some answers to these specific questions, and that at least then the Community can go forward with a realistic and sensible energy policy.

(Applause)

President. — I call Mr Radoux.

Mr Radoux. — *(F)* Mr President, the oral question I have tabled for this debate concerns substitute products. In view of what has happened — and I am thinking not only of 1973, but also of current developments which may, in some ways, prove to be even more difficult as far as Europe is concerned — a number of speakers in this House have rightly referred to the respective virtues of nuclear energy and of traditional sources of energy. The reason I tabled my question was to see whether we could elicit a reply on the use during the Second World War — disregarding, of course, any other considerations — of alternative energy sources. In particular the Commission is specifically asked to say whether this is still a viable method of producing energy. I tabled this question because I believe I am right in saying that in the United States in particular, there is talk — and it may be more than just talk — of having recourse to such methods and that research is currently being done in this field. I should like to know whether this is a viable means of production — and if so, under what

Radoux

conditions. If it is not, I should like to know the reasons for this or why it is impossible for us to use this method.

In conclusion, Mr President, my question follows on from the others that have been put to the Commission on the classic sources of energy, nuclear energy or research into other energy sources. I think it is important for us today to know whether, in view of the difficulties facing the Member States of the Community, something that was first done decades ago cannot now be repeated.

President. — I call Mr Andrews.

Mr Andrews, President-in-Office of the Council. — If you will permit me, Mr President, I should like to take together the two oral questions to the Council. Firstly, as regards Mr Seligman's question on the Community's coal industry it is true that the Council has not yet been able to agree on the coal proposals before it. However, at the Council's request the Commission has prepared three reports. The first of these concerns measures to promote the consumption of coal in the Community. In the Commission's opinion Community measures will be useful, provided that they complement natural measures and do not conflict with them. If Community solutions were to be proposed in accordance with these criteria, we believe progress could be made.

The second report covers national coal production policies in the Community. In this connection it should be noted that despite differing national trends, there are principles that are observed in all Member States in the same way, namely (a) closing down of marginal and worked-out pits for reasons of rationalization, while taking regional and social problems into account (b) development of good pits and fields to reduce production costs and cheapen the supply of coal (c) attaching primary importance to coking coal production as a source of supply for the steel industry. Adding up the estimated outputs of the individual Member States gives a total of 240 to 250 million tonnes for the Community in the year 1985. This quantity is not far short of the 270 million tonnes which the Council was aiming at for that year. However, according to the Commission, because of the strain imposed on public budgets by the granting of subsidies, limits are discernible, as is also a threat to the future development of Community production. Moreover, in the Commission's view, if aids and subsidies are limited by the producing countries to their own markets because their governments are no longer prepared to finance the burden of subsidizing exports and if no Community aid whatsoever is made available, reaching a Community production target of 270 million tonnes in 1985 would appear to be out of the question.

Finally, the third report, Mr President, covers national coal import policies and the world coal market. In this context the Commission considers that in order to ensure secure energy supplies the Community must pursue a dual policy with regard to coal. On the one hand it must maintain a substantial and economically viable coal industry to avoid still greater dependence on imported energy. On the other hand, reliable trade relations with a variety of coal-exporting countries must be developed to meet growing long-term requirements for coal. For the information of Parliament these reports are currently being examined by the Council.

In addition there has recently been a new development. The Commission has announced to the Council that it intends to re-examine its initial proposals to see whether the present situation calls for adjustments to the existing proposals or for fresh initiatives on coal, and it will, if necessary, submit new documents on the matter in the autumn of this year. The Council is therefore obliged to await the outcome of the Commission's reflections before resuming its examination of the proposals, either in their present form or as amended by the Commission.

As to the question put by you, Mr Gallagher, and your colleagues on Community coal policy, I can assure you that the Council has taken due note of Parliament's resolution of 16 February 1979 on the proposals for a regulation on Community financial measures for intra-Community trade in power station coal.

To conclude, Mr President, on paragraph 2 of the resolution it should be noted that the objective laid down on 17 December 1974 of maintaining solid fuel production at 250 million tonnes continues to apply. Whether or not it is attained will depend on the results of the action taken by the producer Member States.

On paragraph 8 of the resolution, the Council must await the outcome of the Commission's recently promised reflections on whether the current energy situation calls for adjustments to the proposal at present before the Council or fresh initiatives and possibly new documents. The Council is therefore unable to take an immediate decision on the above-mentioned proposals, in particular those concerning the use of coal for electricity generation and cyclical stocks of hard coal. That concludes my answer in the first instance to the questions proposed by the various Members.

May I say on a personal note, Mr President, how privileged I am and honoured to be the first Minister of the Nine to address the first directly-elected Parliament in replying to questions.

President. — I call Mr Davignon.

Mr Davignon, Member of the Commission. — (F) Today's debate coincides with an extremely important meeting which is taking place in Paris between representatives of those industrialized countries who have undertaken to pursue a concerted policy in the energy field, and that is why my colleague, Mr Brunner, who is representing the Community at these talks, cannot be present here today.

Without wanting to instigate a wide-ranging debate on all aspects of the energy problem, I do not think I can reply directly to the various questions that have been tabled without placing my remarks in a more general context, and I feel sure that the Members who have tabled the questions will agree to this approach.

As the President of the Commission emphasized in his speech at the first sitting of this Parliament, before the Commission can formulate a Community policy in any of the basic fields affecting the development of the Community, it first of all has to consider the fundamental question of whether or not we can expect a real Community attitude towards energy policy.

If the answer is no, the Community would be deprived of an instrument which is essential if it is to develop and thus overcome the present crisis. Clearly, the results obtained so far — as the questions show — fall short of what is needed.

However, I think it is important to realize that, since the European Council in Strasbourg, there has been a change of attitude and a new political determination. This enabled Europe and the Community to play a distinct part in the Tokyo Summit of the industrialized countries and shows that we are capable of taking action.

I think I should briefly recapitulate what commitments we entered into in this first stage of restrictions on consumption, and what steps we are taking to honour those commitments.

Firstly, let me take stock of our undertaking to limit consumption to 500 million tonnes of oil in 1979, which will mean a reduction of 5%, or a daily consumption of oil within the Community of 100 million barrels.

The situation is that, by the end of the year, the Community will achieve its objective of limiting consumption to 10 million barrels per day.

Unfortunately, as a result of the hard winter, our oil consumption for the whole of 1979 will be in excess of 500 million tonnes. In other words, although we have not fully achieved our objective, we are on the right path, but we shall obviously need more clearly defined, concrete policies if we really want to keep to this commitment over a period of time.

We also undertook to limit our imports from third countries, and in this respect today's discussions in Paris will be important in enabling us to see whether

all our partners have honoured their commitments. It became apparent from last week's discussions in the Council of Ministers and from the ensuing conversations that the Community can today pride itself on a common stance based on specific agreements. This is a new encouraging element, although — and I must stress this point yet again — it will not be enough to enable us to overcome all our problems.

Since Mr Seligman raised this question, I would add that the existence of a Community policy does not, of course, mean that we will not take account of the interests of all the Member States or that we intend to solve the Community's energy problem by adopting or even considering a policy requiring accelerated utilization of such oil reserves as Member States have, namely those of the United Kingdom. With regard to imports, however, those countries which do have oil reserves must clearly make the same efforts to limit consumption as the have-nots. This is a perfectly reasonable aspect of solidarity, and it is something which is essential to any Community policy.

I shall now move on to deal with the actual questions, almost all of which are on the subject of coal.

Firstly, why hasn't more progress been made on a policy which the Commission has consistently been urging on the Council ever since 1974? It is not for me to comment on the reply you have just received from the Council. As you have heard, the whole question is not exactly crystal-clear and it can hardly be said that decisions are coming thick and fast.

The basic problem here is that we are trying to make the best possible use of the Community's coal resources, which are costly because extracting the coal is an expensive business these days. In fact, it is cheaper to import coal. There is also a conflict of interests between those Member States which are sitting on reserves of coal and those which are not.

Let us face facts: the real problem here is not lack of action on the part of the Commission nor insufficient imagination in drawing up acceptable proposals. The real problem is a basic difference of opinion at political level.

The Commission is endeavouring to reconcile these divergent attitudes, firstly by putting forward the idea of an energy policy taking in a whole range of measures, from energy savings through the use of substitute products to the increased use of coal, and secondly by proposing specific measures which will have repercussions on the budget, such as encouraging the use of coal for generating electricity, providing aid for cyclical stocks and encouraging the construction of coal-fired power stations.

However, without wanting in any way to anticipate tomorrow's debate, I must point out that, whenever we put forward proposals of a budgetary nature, the Council of Finance Ministers refuses to grant the

Davignon

appropriations on the grounds that no decision has yet been reached by the Council of Ministers responsible for energy questions. In other words, we have no means of implementing the policy we are advocating.

Incidentally, and without in any way wanting to come to blows with the Council, I would like to say that the Commission has not given the Council any undertaking that it will put forward fresh proposals on this subject. These are for the most part existing proposals, proposals which have been before the Council since 1974 or 1975 and which the Commission is merely trying to bring into line with the changed situation. The Commission's endeavours in the cause of effectiveness and accuracy should not be misinterpreted as a lack of consistency.

Mr Gallagher asked what specific changes there had been in the course of this year. Far be it from me to boast, but I think we can say that in certain respects things are on the move.

During the first six months of 1979, we consumed 10 % more coal than in the first half of 1978. As a result, stocks of coal, which Mr Gallagher put at 60 million tonnes — and I do not want to give any precise figures because reliable statistics are always difficult to get — have now been reduced by more than half. In two of the Member States, the existing stock levels are regarded as necessary for the efficient functioning of industry.

However, this changed situation in no way alters what I said just now in reply to Mr Seligman on the Commission's determination to develop a whole range of proposals aimed at encouraging the use of coal.

I shall be giving Mr Radoux a much more technical reply later on the various processes available, in view of the fact that he himself wanted to keep his contribution today very brief, in keeping with the general nature of the debate. Meanwhile, I should like to say that up to now the real problem — over and above any differences of opinion with regard to this or that technical process — has been the lack of competitiveness resulting from differences in the underlying situation. We have only to think of the price difference between Community coal and coal from South Africa, where there is a special system in operation for obtaining synthetic products from gasified coal.

In other words, a system that is economically competitive and perfectly feasible in one situation is not necessarily equally competitive and feasible in a different situation. What he was really asking, I think, was whether the Commission's priorities include the development of schemes and pilot schemes for gasification and liquefaction and whether there are any experimental or pilot projects under way in the Community, financed in part by the Commission. My answer is

that there are indeed such projects and that we intend to continue along these lines. I shall let Mr Radoux have a written answer on the technical points he is interested in.

This, Mr President, is how things stand. An energy policy is a major — and, indeed, indispensable — element in Europe's endeavours to overcome the current crisis. An inadequate Community energy policy will prevent us from achieving the other objectives advocated by Parliament.

The Commission is counting on Parliament for a wide range of questions and suggestions on all the measures taken, and we shall keep you posted on how the situation develops. But it is obvious that, whatever progress has already been made, we must honour the commitments we have entered into vis-à-vis other countries, and this presupposes determined and well-defined policies within the Community. This means that we shall have to formulate new policies — such as encouraging the use of coal, alternative sources, energy savings and substitute forms of energy — because that is the only way we can be in a position to tackle the central issues behind today's debate, namely, the economic development of Europe and the employment problem.

This challenge is not something for the Commission alone to tackle; it is just as much the responsibility of the European Parliament and it will require genuine determination on the part of the Member States to put this policy into practice. There is still much to be done.

(Applause)

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

Mr Linde. — *(D)* I welcome these oral questions as a first contribution to a debate on energy policy, and more particularly on the utilization of coal. We shall only have an effective energy policy if we Europeans are prepared to act together to pull our weight. It is an unfortunate fact that the Council is very industrious in producing reports, highly incapable of taking decisions. One example of this is that in December 1976 the Commission put forward a proposal on coal policy — on support for coal-fired power stations, to be precise which was then discussed by Parliament in May 1977. In the two and a half years since then, however, no further decisions have been forthcoming. The sad state of the Community energy policy has been exacerbated by the Council's action in ruthlessly slashing the coal element in the 1980 budget, whereas the Council will only be able to honour the decisions reached in Strasbourg and Tokyo if it pursues a comprehensive and well-endowed coal policy.

Linde

How, then, should we go about this? Firstly, there must be financial support — including the granting of subsidized loans — for the construction of coal-fired power stations whose operators enter into long-term commitments to take deliveries of Community coal. Another means of increasing the use of European coal in power stations is to provide more financial support for intra-Community trade, taking into account the varying production and transportation costs. The existing directive on restricting the use of oil and gas in power stations must be adhered to and enforced to the fullest possible extent. If necessary, instructions and restrictions should be drawn up. The existing aid towards the cost of transporting European coking coal is a step in the right direction, but the arrangements must be adjusted to take account of the actual costs. The Community should also play a much greater part in financing the differences between European production costs and world market prices for coking coal. This aid for coking coal needs to be greatly improved. Likewise — and despite the fact that pithead stocks are falling at the moment — it is essential for the Community to help in financing stocks of coal. The financing of research into the upgrading of coal deserves special priority. It will simply not do for the Community to leave the financing of coal policy to just a few Member States. It must be stated quite clearly — and this is the line taken by the Socialist Group — that we shall not vote for the budget unless it includes appropriations for a really effective and well-endowed coal policy.

(Applause)

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

Mrs Walz. — *(D)* Mr President, ladies and gentlemen, I should like to begin by addressing a few remarks to the President-in-Office of the Council; I am as pleased as he is that he could be with us today. However, I cannot express any pleasure at what he said earlier in this debate, because all he really did was to tell us what proposals the Commission had made. He forgot to mention that the Council has left the Commission's proposals to gather dust over a period of three or four years, during which time it has done nothing whatsoever itself.

(Applause)

I regard that as a pretty miserable reply. We are now being told that the Commission may, because of the changed situation, be putting forward different proposals, and if this is true, I hereby take note of the fact — albeit with some surprise — because the Commission has never said anything of the kind to me or my committee. Will that mean another wait of three years or so because of the Council's inability to get a common energy policy off the ground? I am afraid I

must say that I am not at all impressed with the answer we have received from the President-in-Office of the Council; he has merely glossed over the existing differences of opinion, since it is quite obvious that the prospects for coal are now rather brighter. There is no point in arguing about that, because coal is bound to become increasingly competitive as prices continue to rise, although for our economies as a whole rising prices are certainly not good news. I need only point out that Nigeria has once again increased the price of its oil and, as the dollar continues its decline, we are bound to wonder what lies in store for us at the next meeting of OPEC in December. We are sure to be faced with yet another leap in prices. You may not have helped the coal industry through the lean years but it may gradually become competitive once again as prices continue to rise. We shall be tabling a motion along with the political groups tomorrow, calling on the Council at least to further encourage the use of coal in power stations.

Moving on to what Mr Davignon had to say, it was all very informative, but I should like, from the European Parliament's point of view, to have heard him say to the Council rather more forcefully that the Council has really done nothing whatsoever in the last three years. This needs to be stated quite clearly for once. Moving on to the another point, when I see how the Commission is back-peddalling in the nuclear field, I can only wonder whether it really is still the powerhouse of Europe, as it was once meant to be, or whether it is developing more and more into a simple secretariat-general. I think we Members of the European Parliament will have to keep a very sharp eye on this tendency.

I have only five minutes' speaking time left, so let me say very briefly on the subject of oil consumption that we have not been able to achieve the aims set at the Tokyo Summit — and let us not forget that Tokyo was itself a step back after the Strasbourg Summit. That is something we should be quite clear about in our minds. In Tokyo the Americans took us for a bit of a ride. Coming after Strasbourg, Tokyo was certainly not a major success.

But have we at least managed to keep the promises we made? We have not. Instead of restricting consumption to 500 million barrels of oil, we have probably used up more like 513 million barrels. Can we really expect to go on like this? The OPEC countries are continually telling us to cut back consumption, because they are not prepared to pump out all the oil they have. Apart from alternative energy sources, which we know will not be available in sufficient quantities before the year 2000 or 2020, the only solution is nuclear energy, and here the safety of the public must of course be given top priority. If we want to diversify, however, we must use every available

Walz

source of energy, and that means coal, nuclear energy and alternative sources.

President. — I call Mr Purvis to speak on behalf of the European Democratic Group.

Mr Purvis. — Mr President while recognizing the validity of encouraging the use of our own fuel resources, I would stress the need to exploit these resources efficiently. Our fossil fuels are finite, and we are still heavily dependent on fossil resources both for energy and chemical feedstocks. This state of affairs will continue into the foreseeable future, even if we increase the proportions provided by renewable resources such as fast breeder reactors, wind, sun, tide. And in the Community we do have considerable, if not wholly adequate, resources of fossil fuels: coal, oil and natural gas.

We hear much of reducing waste by consumers. We hear less of reducing waste by producers. And yet in order to provide the requisite return on investment for oil companies we are irrevocably foregoing over 60 % of the resources of our oil fields. In order to get the essential oil ashore, and again to provide the requisite return on investment, we are foregoing vast resources of natural gas which are flared off into the atmosphere. The Scottish Council for Development and Industry estimate we will forego in the next twenty years 145 million tonnes of ethane, propane, butane and natural gasoline and twelve trillion cubic feet of methane worth 2½ billion units of account per annum in the late 1980s at current prices. Because electricity generating authorities see their function as being to generate electricity rather than more broadly heat, light and power, we are foregoing over 60 % of the energy generated because we are heating the surrounding sea and sky, incidentally to the detriment of that sea and sky.

Now we would be unrealistic to expect hundred per cent conversion or anything like it. Power stations run by industrial companies where heat output is also usefully employed have efficiency rating of 75 % compared to the 35 % for purely electricity-generating coal power stations in my part of Scotland. Obviously existing power stations may not be conveniently located for full use of their heat output. But we should surely encourage new power stations to consider this aspect. With new oil field exploitation schemes we should surely encourage companies to exploit them more completely than at present and to utilize the accompanying gas and gas liquids. It is a question of the financial equation. Given that the oil companies should expect a certain return on investment, appropriate to the risks involved, would the Council and Commission not consider, as a matter of urgency, financial arrangements as part of a Community energy policy which will enhance the level of recovery from Community oil fields the bringing ashore of natural gas where this is of marginal

commercial profit, and encourage area heat and power schemes associated with thermal generation stations? Our resources are finite. It is surely inexcusable to waste over 50 % of these before we even start.

(Applause)

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

Mr Ippolito. — *(I)* Mr President, ladies and gentlemen, the three oral questions on the Community coal industry, the Community's dependence on oil and the coal policy of the Community belong in a single context — that of the effects of the world energy crisis on the Community, which — let us admit it — has no policy on the subject except the determined defence of the coal interests.

The forces within the Community are pulling in different directions, both with regard to coal policy and with regard to oil policy. Indeed, the countries which produce coal and are partially self sufficient in energy, e.g. particularly West Germany (which depends on imports for only 50 % of its energy requirements) and the United Kingdom (which, with its coal and North Sea oil, is almost self sufficient) contrast with a country such as Italy, in the worst position, which depends on imports for about 85 % of its energy requirements (of which 90 % consist of oil).

In view of this situation, it is clear that there is no Community energy policy, as we saw once more yesterday in the meeting of the Committee on Energy and Research. In the new budget, for example, the Council has drastically cut the funds available to the Commission for the energy sector, but this is partly understandable, in view of the slowness and inefficiency shown by the Commission in using the funds available to it. To give only three examples, I would remind you that, of the 1978 estimate of more than 5 million units of account for research on uranium in the Community, only 1 800 000 units of account had in fact been spent by 31 August 1979; that of the 1978 estimate of more than 13 million units of account for the handling and disposal of radioactive waste, only 50 % has so far been used; and that, therefore, the Council has significantly reduced the funds for research on alternative sources of energy — although the future of energy development depends on them — from 66 million to only 34 million units of account. While all this was going on, Community funds were used, again in 1978, for aids amounting to 46 million units of account to the coal industry, and finance was provided for investment in coal mines, coking plants and coal-fired power stations totalling 297 million units of account.

In spite of this, and in spite of other non-Community aids granted directly by the countries concerned, consumption of Community coal continues to fall because the price is two to three times higher than that of coal available on the world market.

Ippolito

This situation cruelly penalizes Italy, whose energy sector is weaker and which still has the lowest per capita energy consumption of all the Community countries (in terms of coal, about three thousand kg per head per year, as against five to six thousand on average in the other countries.) The group to which I have the honour to belong therefore urgently draws the attention of the Commission and Council to a situation which is constantly deteriorating and which Italy can no longer tolerate.

What I have just sketched out implies, in our view, that: firstly, the Commission must encourage technological research on more up-to-date methods of exploiting coal deposits on new ways of using liquid and gaseous coal, and on new forms of long distance transport;

Secondly, if coal consumption, especially for generating electric power, is likely to double between now and the year 2 000, the Council and Commission must ensure that this does not result in a further worsening of the Italian balance of payments; in addition a balanced policy of technological improvements within the Community and imports at much lower prices is required;

Thirdly, with regard to oil policy, incisive and effective Community action is essential to restore the balance on the world market and reduce the harmful effects of the Rotterdam spot market, which deals with a completely derisory proportion of the total OECD consumption and barely 1 % of OPEC production;

fourthly — and this is the most important point — research on alternative sources of energy (renewable and non-polluting) must be intensified, while the problem of the safe use of nuclear energy, of which — as the case of France demonstrates — we shall still have considerable need for the next thirty years, is simultaneously tackled in depth in a Community context.

In conclusion, I would say that only an overall energy policy, which the Community has so far failed to draw up — as Mr Davignon admitted just now — and indeed has not even begun to sketch out in general terms, will in our view be able to reduce the present imbalance in favour of coal-producing countries, which now also produce oil, and which must be made to understand that, especially in view of the forthcoming enlargement of the Community, a policy of extreme national self-interest seriously damages the very life of our Community.

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

Mr von Alemann. — (D) Mr President, ladies and gentlemen, there are two remarks I should like first to make, all on these oral questions. To begin with, these

questions should really all be addressed to the Council and not to the Commission, because the Commission has shown in the past, together with the committee, that it is both ready and willing to implement a common coal policy, whereas the Council and the Energy Ministers, despite holding six meetings a year, have really done no more than establish that there are differences of opinion between the Energy Ministers and the Commission. Secondly, I deplore the fact that a meeting on energy is taking place in Paris at the same time as this debate. As a new member of this House, I do not know who is to blame for this situation; nor do I know why there has been a breakdown in coordination. However, as a member of the Committee on Energy and Research, I must say that the absence of important people like Mr Brunner, who should have been here today — of course, I have no wish to deny that Mr Davignon is just as entitled to answer on behalf of the Commission — is really unacceptable.

In 1977, the Commission proposed that the use of coal in power stations should be encouraged. The intention was to grant financial aid to the electricity companies to enable them to build new coal-fired power stations and to modernize and convert existing power stations to coal. This was a good proposal, but it did not go far enough. Has any thought been given to the fact that this system of financial aid needs to be backed up by long-term contracts between the coal producers and the power stations?

Secondly, the Commission proposed in February 1979 to grant a subsidy of 10 EUA per tonne to boost intra-Community trade in coal for power stations. The European Parliament rightly felt that this financial aid was inadequate to enable indigenous coal to compete with imported coal. Perhaps I could also ask the Commission what has happened to its proposal to submit another plan to develop Community production by the system of interest subsidies for loans granted under the ECSC Treaty?

The Commission also proposed financial assistance for coal and coke destined for the iron and steel industry. It would now seem that this aid is to be reduced from 70 million to 60 million EUA. At a time when the iron and steel industry is going through a serious crisis, and in view of the fact that the industry is one of the two main outlets for coal, it is deplorable that the Community should be so inconsistent in helping to find market outlets for coking coal.

From the economic point of view, it is essential that the balance between policy on coal. There are grounds for doubting the effectiveness of the Commission's proposed measures, because of their sectoral and bitty nature. Only a long-term overall policy can help put some dynamism back into the Community's coal industry.

von Alemann

If we want to avoid being accused of subsidizing an unprofitable industry, we must make every possible effort to bring the industry on to a competitive footing.

In my Group's opinion, coal is indispensable to the Community's supply requirements. This being so, the following points apply. Firstly, the national programmes for producing and importing coal must be coordinated at Community level. Secondly, imported coal must be regarded as complementary to Community production. Thirdly, we must take steps to balance out the price of Community coal and that of imported coal. Fourthly, there must be more aid for research aimed at modernizing old deposits and making them profitable and at opening up new deposits. This will require long-term investment. Fifthly, taxation of coal-winning must be reduced, and sixthly, the development of the coal industry must lead to the creation of more jobs.

One final suggestion: the Commission should perhaps publish a bulletin on coal, showing the trend in imports from third countries, along the lines of the existing oil bulletin. It should be quite easy to put this proposal into practice, as we already have an information system which gives us a clearer view of the situation on the coal market.

Ladies and gentlemen, we all agree that coal is a very important raw material within the Community, and that it must be mined. Coal will serve to reduce somewhat our dependence on oil and also — so long as we mine it sensibly — make for job security in the Member States of the Community. I would ask you therefore to take a favourable look at my Group's proposals.

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

Mr Poncelet. — (*F*) Mr President, ladies and gentlemen, one of Europe's great weaknesses is its lack of raw materials and energy resources. I am not the first person to make this point, but it is something we should all remember and treat with the utmost priority. One of our main aims must therefore be to safeguard the Community's energy supplies and to reduce our dependence on imported energy, particularly oil. Clearly, a coal policy is one of the means Europe has at its disposal to help safeguard its future prosperity. As a result of the incentives recently introduced by the Member States, production of Community coal has improved although I would point out that at one time there was a drop in production which might have been dangerous in the long term. In the short term, the problem is of a commercial nature. It is difficult to find market outlets for Community coal because the Member States prefer to import foreign coal which they can buy in more cheaply than the Community product. As a result of this, Community

stocks of coal, which were up to 63 million tonnes by the start of last winter, are still put at more than 50 million tonnes today, and even this fall was only due to the severity of the winter.

The volume of imports on the other hand, has been rising steadily. From a total of 30 million tonnes in 1973, imports rose — as was pointed out a few moments ago — to 42 million tonnes in 1976 and 46 million tonnes in 1977. While it is true that the total volume of imports fell during the first six months of 1978, we must not forget that there was still an increase in imports of power station coal. Nevertheless, imports still remained at a high level, and will — at between 45 and 47 million tonnes — still be above the levels of the preceding years. Moreover, the slight fall in 1978 may be regarded as artificial, as it resulted in part from the strike in the United States, which is one of Europe's suppliers.

As you can see, then, Community coal has to labour under a severe handicap compared with coal from third countries, the handicap being its high price. How can Community coal possibly compete with coal from South Africa and more particularly from Poland or the United States, which was recently on offer at a price of \$35 per tonne — including freightage — whereas the cost of Community coal production was as high as \$45 in the United Kingdom, \$75 in the Federal Republic of Germany and France and even \$100 in Belgium? And let us not forget that freightage accounts for another \$ 10 on top of these prices! Clearly, then, Community coal is much more expensive than imported coal.

In the circumstances, the Commission is quite right to propose measures aimed at encouraging the use of Community coal. It is certainly moving in the right direction, but it remains to be seen whether the measures the Commission has proposed will be sufficient to cope with the situation facing the Community.

These proposals, which are still awaiting the Council's decision, and which relate to subsidies for intra-Community trade in coal for power stations, financial aid to encourage the use of coal in power stations and aid for cyclical stocks of Community coal, all, in our opinion, suffer from the same basic flaw in that they are isolated and partial measures and are not part of a genuine overall policy. The Commission is certainly not to blame, but let us not forget that we still have no common energy policy and no harmonized coal policy. What we should be doing is encouraging the use of Community coal in power stations as an integral part of a policy designed to reduce our dependence on outside energy sources.

The Community's inability to find coherent and overall solutions is due in part to such objective factors as the different structures and different — all

Poncelet

too often selfish — thinking in the various Member States. These differences can only be overcome by a genuine sense of political determination which depends largely on ourselves.

As long as we restrict our thinking to what are commonly known as 'packages of measures', more or less balanced out to ensure a fair distribution of gains and losses, we shall never get anywhere. We have to realize that. All too often, the measures proposed are of no more than a fragmentary nature in which subsidies are spread around all the Member States, the net result being virtually nil.

So far, the package of measures relating to Community coal has not been wrapped up — if you will pardon the expression — well enough to meet with general approval. This will have repercussions on coal production, because Community capacity will, at best, reach 250 millions tonne per year, well short of the aim of 270 million tonne per year.

Despite the fact that the Member States' governments are ever ready to affirm — at least in their official statements — the importance of Community coal in the Community's energy policy, no overall Community policy has yet seen the light of day despite the urgent need for such a policy. I shall come back to this point in a moment.

The debate has not led to any convergence of views on the need for, and the practicalities of granting, the various aids proposed to the Member States. After a rapid increase following the 1974 energy crisis, investment in the coal industry has now stabilized at the 1976 level, whereas any increase in the rate of mining Community coal will require not only a higher level of investment to open up new mines, but also guaranteed market outlets to ensure a normal term for the investment. Unfortunately, the measures which have been taken so far are certainly not designed to encourage long-term investment in the Member States; nor is there any certainty that today's proposals will provide a greater incentive.

The proposal, which is still before the Council, aimed at granting a subsidy of ten units of account per tonne for the production of 10 million tonnes of Community coal destined for power stations is likely to be of very limited effectiveness. The good intentions of the Commission are clear enough but this subsidy amounts in fact to no more than around \$12.5. Of course, this is not to be sneezed at, but the Group of European Progressive Democrats feels that the current difference between the price of coal from third countries — the figures I mentioned just now are incontestable — and the price of Community coal will remain too large for this subsidy to have any real impact on the demand for Community coal for power stations.

Unless something is done the Member States will continue to buy in supplies from third countries, notably the United States.

The public funds set aside for this project — I think they are of the order of 100 million EUA — are insufficient to produce valid results, but at the same time too high in relation to the really very modest results obtained so far. That is why the Group of the European Progressive Democrats advocates the implementation of a genuine Community energy policy, which we feel is the only way our coal policy will ever get off the ground. We feel there is an urgent need for harmonization and that a really thorough debate followed by concrete decisions is more important than the non-urgent, non-indispensable debate on armaments which some people are trying to get onto the agenda. Community independence in terms of energy is one of the main preconditions for the kind of security for our peoples that was referred to so often yesterday.

(Applause)

President. — I call Mr Coppieters to speak on behalf of the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Coppieters. — *(NL)* Mr President, ladies and gentlemen, it is a pity that this debate on energy policy should have come about as a result of questions which are more of a party political nature.

There is nothing really we can get to grips with here. The only thing this new Parliament has received since July of this year is the conclusion — disputed by many of us — reached by the European Council, with its one-sided recommendations on encouraging the development of nuclear energy.

A second point is that, in a number of Member States, no really fundamental parliamentary debate has so far been held on energy policy.

In other words, this debate has not got off to a very auspicious start. Of course, there are a number of important aspects to it, and that is why I asked for the floor in this debate. What I want to speak about is coal policy and the oil shortage, with special reference to the prospects for the gasification of coal in surface installations. This brings me close to the point raised by Mr Radoux. It is a very serious matter how much research money is being pumped into nuclear energy and how little into the gasification of coal. With our wealth of coal resources, such a thing is completely unacceptable, especially as we are, of course, highly vulnerable in terms of our dependence on oil supplies.

A number of countries are now successfully using the latest processes for the gasification of coal or are plan-

Coppieters

ning to do so, with the aim of reducing their dependence on oil imports and not having to go overboard in favour of nuclear energy.

Perhaps I may be allowed to give you three major examples of what I am talking about. Just recently, the Minister of Industry for North taking signed a contract for the construction of a surface installation for the gasification of coal near Bochum, with a planned production capacity of around two million tonnes of methanol by 1985. The production of gas and methanol from coal and lignite is important in the Federal Republic of Germany and it is something that could be tackled in a number of other countries as well.

My second example will be familiar to all of you. It concerns the unusual contribution made by the Launawerke in Leipzig to the energy supplies of the GDR and even of other countries.

The third example I should like to give is that of South Africa. I realize that Mr Davignon was careful to put this into perspective, but I should like to make the point nevertheless. Over a number of years, South Africa will — thanks to its projects Sassol I and II, to be followed shortly by project III at Port Richards — be in a position to cover between 50 and 75 % of its petrol requirements from the gasification of coal. Think about that.

I should also like to point out — as I am sure you are all aware — that a gasification plant not only produces a variety of essential by-products, but can also be readily combined with conventional and nuclear power stations.

A number of areas of Western Europe still have rich deposits of bituminous and semi-bituminous coal, which could be made profitable by using these latest technical processes. I would therefore strongly urge the Commission — despite the unwise conclusion reached by the European Council — to pursue a policy which gives maximum encouragement to surface installations for the gasification of coal.

Let me conclude with a democratic point. If we can get energy costs under control, we shall put an end to the speculation in the oil sector and thus achieve a higher level of independence. All this can be achieved by pursuing a democratic Community policy.

President. — I call Mr Pintat.

Mr Pintat. — (*F*) We regard the question tabled by Mr Seligman as very timely, as it echoes the fears expressed by the Liberal and Democratic Group on 19 July, on the occasion of Mr O'Kennedy's statements.

The skirmishing over oil is escalating into a full-scale and political war. In the course of six months, the price of oil has gone up by between 50 % and 60 %. In percentage terms, of course, this is nothing like the quintupling in price that took place between 1974 and 1975, but in absolute terms, it amounts to the same thing. In effect, the additional burden we now have to bear is almost as much as in 1974. As a result, industrial production has stagnated and investment has also practically come to a halt, so that there is, in fact, no extra production to pay for the extra cost of our oil supplies. The most damaging mistakes in this respect have been made by the most powerful among us, in particular the United States. Admittedly, in 1974, President Nixon's new 'Independence Plan' promised us the complete restoration of the United States' energy balance by 1980. However, they still have a long way to go. I was in the United States a few days ago, and I was able to see for myself that, far from honouring the commitments they entered into at the Tokyo Summit, United States oil consumption actually increased by 15 % in July. Because of the low level of investment activity and the political position of OPEC, the actual physical availability of oil is virtually going to stagnate. Since the energy 'cake' will remain the same size, whereas the appetites of those queuing up for their slice will increase, disaster lies at most one or two years away.

What we are faced with now is thus a problem of time and money, to be solved in a race against the clock. It takes almost 10 years to set up an energy programme on any scale. At the same time, investment requirements are becoming more and more onerous and costly: instead of millions of francs we now talk in terms of thousands of millions of dollars. In my opinion, the implementation of a common energy policy will be the decisive test of our political determination to build Europe. We have no time to lose in getting all the large sums of money involved, which means that the decision can and must lie with Europe itself. We think it essential for an extremely large European loan — of the order of several thousand million units of account — to be floated without delay to set up a European Energy Fund, the need being all the more urgent in view of the enormous challenge facing us. Europe must make a major effort to drag itself by its bootlaces. It is better to spend money on useful and productive investment now rather than sit back and run the risk of having to spend that money unproductively later on oil. An investment programme of this magnitude will enable us to tackle the scourge of unemployment, not only by way of the jobs which it will generate directly, but also because it will create that vitality which is indispensable to continued economic growth and thus to future employment prospects.

As Mr Seligman said, we should also be careful not to neglect investment in the oil sector. It is true that, in terms of the world's energy balance the relative value

Pintat

of oil will decrease, but the same does not go for its value in absolute terms. We still need — and shall continue to need — plenty of oil. We believe that the future energy investment programme is an important factor, because it is only by putting a programme of this nature into practice that we shall gain credibility in international negotiations between the consumer countries and the countries of the Third World. Meetings between producers and consumers must become more and more frequent, and it is important that we should not come to these meetings empty-handed. Their success will depend on this major energy investment programme and on our collective determination at European level. Without any such investment on our part, the meetings will be nothing more than futile talking-shops. We believe that success will only be achieved by floating a major European loan to be spent on energy investment, and we would strongly urge that this be done while there is still time.

(Applause)

President. — I call Mrs Lizin.

Mrs Lizin. — *(F)* Mr President, ladies and gentlemen, I have no intention of prolonging a debate which I hope will be pursued in greater detail when we come to discuss the energy options for 1990. Having said that, I should like to take this opportunity of reminding you of the Socialist Group's analysis of the energy policy pursued by the Council and the Commission.

The contributions of both Mr Davignon and the President-in-Office of the Council to this debate have demonstrated clearly enough exactly where the shortcomings lie. On the one hand, we have a Commission pursuing an inadequate and timorous policy, and which lacks the courage to make the Council responsible. On the other hand, we have a Council which is at pains to remove what little substance there is in the Commission's policies. We heard the President-in-Office of the Council say just now that the Commission was going to modify or re-examine its proposals. We have heard the Commission say, on the other hand, that there is no question of its re-examining any of its proposals. What does the Council have to say to that? Is this debate going to run its course without producing any clear reply to this question?

More particularly, however, we are concerned with what has happened since the Tokyo Summit. A number of discussions have taken place within the Council, and today we have a meeting in Paris of the seven countries which were represented in Tokyo. It is a matter for regret that the Nine are not represented at that meeting in their own right. What does the Commission propose to do to ensure that it can enforce whatever commitments are entered into? No legal means of doing so has been proposed; nor is

there any sign of, for instance, a draft directive. What does the Commission have to say on this point? Why does it not make use of the powers available to it?

The Socialist Group would like to point out that it attaches the greatest importance to the question of limiting consumption and imports. But this will require some kind of legal instrument, something which applies equally to the Member States and to those important outsiders to this debate, the oil companies. We believe that other steps will have to be taken as well, with the main emphasis being on energy-saving programmes. These must also be made binding on hesitant or dilatory countries like my own. Much more determined negotiations must take place with the automobile industry and the use of coal must be encouraged in oil-fired power stations. I shall not go over this point again, as it has already been dealt with at sufficient length in the course of this debate.

We must also draw attention to the Commission's and the Council's failings in their attempts to negotiate with the producer countries. The Council has drawn a blank, or more precisely — let the matter drop completely. All attempts to get a dialogue going have come to a standstill, and that can only be to everyone's disadvantage. What the Commission is proposing is an option which is dependent on nuclear energy. It has asked for a three-fold increase in Euratom's borrowing ceiling with the aim, according to the explanatory statement attached to its request to the Council, of speeding up the Member States' nuclear programme. We Socialists regard the unequal treatment given here to the various sources of energy unacceptable. You cannot expect us to go along with a set of proposals providing for an accelerated nuclear programme, a piffling amount of money for energy savings, a reduction in expenditure on research into alternative energy sources, an oil policy which shrinks from adopting provisions for supervising the activities of both Member States and oil companies and, lastly, the deletion of budgetary appropriations for a coal policy.

The Socialist Group feels that this imbalance has already reached unacceptable proportions, and this may make it impossible for us to accept the budget.

President. — I call Mr Paisley.

Mr Paisley. — Mr President, I should like to say that I have listened carefully to the President of the Council and noted down some of his remarks. He said the Council would be obliged to wait until the Commission again reported to them on this problem; that they were awaiting a set of new documents, and were also awaiting the reflections of the Commission on various aspects of the energy problem. It would seem to me, Sir, and to the people I represent in this house, that the time for waiting is over, the time for reflection is over, and the time for action has come.

Paisley

It is clear to the Committee on Energy and Research, of which I happen to be a member, that there is a conflict between the Commission and the Council. It is absolutely useless for the Commission to say that its energy policy is to encourage the change-over from oil-fired generators to coal-fired generators when the Council is going to cut back on money that could be used for that purpose. Surely the Council should encourage the policy of the Commission, and not seek, by taking finances from the Commission, to stymie its work. Of course I think that the Commission have also to bear blame, because the Commission, as far as I can understand from representations that they have made to the Committee on Energy and Research, have not been forthcoming; they have not, in some cases, spent the money that has been allocated to certain purposes. I would like to see a realistic energy policy for this Community — a policy that would benefit all the countries of the Community. I am alarmed at the large slice of the money available to the Community that is given to agriculture, while a totally inappropriate percentage is given to this all-important energy problem.

I also would like to say that it alarms me that the prospecting and the discovering of what energy resources we have are now to be cut back as well. I would refer to my own country of Northern Ireland, where there is no doubt that there are resources that could be exploited; and, of course, the United Kingdom has natural gas resources which the British Government is not prepared to make available to the people of Northern Ireland, howbeit they are a part — and I trust will continue to be a part, no matter what Mr O'Kennedy might think — of the United Kingdom. Could I say that the prospecting for energy supplies should be stepped up within the Community. I do regret that Commissioner Brunner is not available today because of this other meeting in Paris; it would seem to me that when this Parliament is discussing such an important subject, arrangements should be made in the timetable of this Parliament and in the timetable of the Commissioner so that he could be present for such an important debate. But I would like to ask the Commissioner: what is the state of a proper survey of the energy resources of the Community? And if this survey has been made, what efforts are made continually to keep this survey updated and to exploit the data that is forthcoming from it?

President. — I call Mr Flanagan.

Mr Flanagan. — Mr President, fellow Members, in this important debate today I would like to limit my remarks to the efforts by the Community to establish relations with the oil-producing countries. Undoubtedly, as has been said, the Community must act on the basis of a united front in discussions with the oil-producing countries. Certain Member States have, over the years, developed privileged relationships with countries in the Middle East. However, they must realise that if we, as a Community, are to have a Community energy policy to guarantee supply in the event of shortfall, there must be

a united approach. Undoubtedly, the oil-producing countries themselves will seek to widen the scope of discussion between the Community and themselves. If this is to be the case, they must recognize that in the resolution of a new world economic order they have a primary responsibility to ensure that the burden imposed as a result of oil price increases on the developing countries and on the world economy is equally shared by them.

Our dialogue with the Arab oil-producing countries must be based on mutual respect and a recognition that there are obligations on both sides to restore order in the world economy. The Iranian situation has thrown into relief the role of Saudi Arabia as the swing producer. The ability of Saudi Arabia and some other Gulf states to increase production by some 3 million barrels has diminished the impact of the Iranian export shortfall of up to 6 million barrels. However, there must be no doubt about the willingness and ability of the Gulf states to produce at increased levels for a prolonged period. We therefore look to OPEC to try and coordinate, within a coherent strategy, *ad hoc* moves by individual members to increase oil prices. Any further general price increase would certainly diminish the prospects for world economy recovery. The precariousness of the situation in the Middle East calls for the utmost prudence in the examination and formulation of future oil supply strategies.

The recommendation both by the Commission and the Heads of Government meeting in Strasbourg in my opinion is a sensible one. We must try and coordinate the policies and strategies of the Member States with regard to oil supplies. In addition, consumption will have to be reduced by at least 50%; I appreciate that that is a very high figure. Maximum cooperation resulting in concrete proposals between the Commission and national governments, oil companies and international organizations is the only guarantee of security of supply and the development of a sound relationship with the Middle East countries.

Members may be aware that the Irish Government has recently set up a national oil corporation which will undoubtedly improve the oil situation in Ireland. In addition, we will be looking to the Community to assist us in our efforts to improve our refining capacity. The side effects of the energy shortage in Ireland this year have been quite damaging to our economy. We hope that with the new and improved national policy and with the help and cooperation of the Community of which I have already spoken, the possibility of a recurrence of what happened this year will be obviated in the future.

President. — I call Mrs Dekker.

Mrs Dekker. — (NL) Mr President, those Members who relied on the official 'briefing' material for this sitting, which announced this energy debate will be disappointed at the tenor of the questions that have been tabled. Without wishing in any way to belittle the

Dekker

questions, no one can deny that there is rather more to energy policy, certainly as far as the Community is concerned. This was evident from the many references made to the energy problem at the opening session of the European Parliament. When the agenda was drawn up for this part-session, my colleague, Mr de Goede, argued that the debate should not be restricted to a few fragmentary facets of the energy problem, but that the terms of reference should be made wider so that general debate could be held on the whole problem of energy in the Community. I was very pleased to hear Mr Davignon say that he could not answer even the oral questions without going into the wider context of the energy problem in general. I assume from this that Mr Davignon shares our view that it is high time this House got to grips with the energy problem as a whole. Mr de Goede tried on Monday to get the House to deal at last — after two and a half months — with the motion for a resolution on the conclusions on nuclear energy reached by the European Council on 21 and 22 June this year which we tabled at the last part-session together with a number of other non-attached Members and a few Members of the Socialist Group, but which was not given urgent status by a majority of this House.

Our resolution calls on the European Council at least to review its conclusions — particularly on nuclear energy — on the grounds that its decisions completely ignored the Parliamentary discussions which are currently in progress or in the offing in a number of Member States. If it continues to side-step this issue, this House will be failing in its political duty, not for the first time. By continuing to ignore this matter, this House is giving its tacit approval to the decisions reached at the European Summit.

If you look at the programmes put forward by the political groups represented here, you will see that it is not only those people who voted for Mr de Goede and me who will be expecting the European Parliament to grasp the energy nettle. In view of the clear political stance that has been adopted in this House, moreover, there is no need for such a great deal of preparation in committee for such an energy debate. Differences of opinion in parliaments — including the European Parliament — should, of course not be glossed over. It is precisely that opportunity to test opposing ideas against each other that is the hallmark of democracy. I can see nothing to stop this House holding such a debate and I hope that the following questions will be a first contribution to this process.

My first question relates to the Community's long and short-term energy-saving policy. The short-term measures are the energy-saving targets accepted at international level by the Community with special reference to the situation on the oil market. The long-term measures are those aimed at energy conservation and the Community's dependence on oil as a source of energy, and they also include a general reduction in the level of energy consumption to obviate the need for unacceptable or less acceptable types of energy. I am

thinking here primarily of nuclear energy, but also of the considerable risks involved in the increased consumption of coal, as well as the supply problems with regard to gas, particularly LNG and LPG. It is against this background that I should like to ask the Commission to explain how, despite the energy-saving measures the Community has repeatedly committed itself to, including the undertakings given at the European Council of Heads of State and Government, the consumption of oil in the first half of this year was more than 7 % up on the corresponding period last year? In particular, how does the Commission reconcile this disappointing development with its communication to the Council in July last year to the effect that the Community had made substantial progress in energy-saving in recent years? There was even mention of an 8 % reduction in consumption in 1977, as well as the welcome communication that the Community's energy-saving potential was in fact substantial. My next question relates to the development of alternative energy sources. I wonder why, in the very same communication to the Council of the beginning of July, the Commission, referring to the Community's energy targets for 1990, makes practically no mention whatsoever of the development of alternative sources, particularly renewable sources? Apropos of energy prices, how does the Commission intend to proceed towards its stated goal of harmonization of energy price policy, and why does this same communication from the Commission to the Council persist in stating one of the Commission's aims to be as low a price level as possible? Thirdly, what does the Commission think it should do to counteract the Council's threatened undermining of the Community character of the Euratom Treaty? And how does the Commission intend to safeguard the Community's interests at summit conferences, where far-reaching decisions — which intimately affect the Member States of the Community — are taken, while some of the Member States are not represented; and how does the Commission intend to ensure the Community's presence at conferences of this kind, particularly follow-up conferences?

Mr President, there are many more questions I should like to ask, but my time is running out. If the Commission cannot give a full answer to my questions at this particular time, I should like to serve notice that I shall be tabling these questions to the Commission again in a different form at some later time.

President. — To wind up this debate, I have received a motion for a resolution tabled by Mr Gallagher, Mr Linkohr and Mr Dankert on behalf of the Socialist Group, Mrs Walz and Mr Vergeer on behalf of the Group of the European People's Party (CD), Mr Seligman on behalf of the European Democratic Group, Mrs von Alemann on behalf of the Liberal and Democratic Group and Mr Poncelet on behalf of the Group of European Progressive Democrats, with request for an early vote pursuant to Rule 47 (5) of the Rules of Procedure (Doc. 1-351/79).

President

I shall consult Parliament on this request at the beginning of tomorrow's sitting.

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

The House will rise.

(The sitting was suspended at 12.55 p.m. and resumed at 3 p.m.)

IN THE CHAIR : MRS VEIL

President

President. — The sitting is resumed.

8. *Organization of debates (resumption)*

President. — As you know, I asked the chairmen of the political groups this morning to join me to discuss the way in which we should continue the proceedings. By the end of the morning we still had no overall proposal to submit to Parliament. But I can already assure you that we shall continue our discussion with a view to fulfilling our commitments with regard to the staff, namely not to hold more than one night sitting per part-session, especially since yesterday's sitting lasted until 11 p.m.

The night sitting for this part-session was planned for tomorrow, but we would prefer to hold it this evening since the representatives of the Council are present. We have just been informed that the staff agrees to this change on condition that we do not continue beyond 8 p.m. tomorrow.

(Applause)

On the other hand, we are also anxious to organize the rest of our agenda to allow all the questions which Parliament considers urgent to be properly dealt with during this part-session. This morning we discussed with the group chairmen which questions were actually urgent. Thus we shall probably be forced to alter the agenda and postpone certain non-urgent questions to the October part-session, but we shall do so in a spirit of agreement.

We must include in today's agenda all the urgent questions put to the Council.

I call Mr Scott-Hopkins.

Mr Scott Hopkins. — Madam President, on behalf of my group I would like to thank you, and I would particularly like to thank the staff, for agreeing to have the night session tonight. I am sure that we are all very grateful to them for what they have done, and I can assure you that, as far as we are concerned, we will do the best we can to ensure that it is not too late a night session tonight, and that tomorrow we do stop at eight o'clock.

There is one small question, Madam President, that I ought to ask you. You will remember that last night we transferred two items from yesterday's agenda to Thursday night. These were two questions to the Commission. Presumably, if there is time — and we are not talking about one or two o'clock in the morning — those items will be taken tonight rather than on

Thursday. I do not think that the order of business for Thursday will allow them to be taken then. Is that so?

President. — In fact we must deal today with all the questions which must be considered before Friday and do not concern the budget. If we do this, we shall be able to finish tomorrow's budget debate at 8 o'clock.

The amended agenda for this afternoon and this evening, which you will be asked to approve, would be as follows :

- Following Question Time, continuation of the debate on energy problems.
- Motions for resolutions on the number of quaestors.
- Oral question on the common system of extradition (Doc. 1-288/79).

The oral question on European political cooperation (Doc. 1-294/79) would be postponed to the October part-session, since the spokesman of the Group of the European People's Party was kind enough to agree to this postponement this morning, especially since the representative of the Council announced that there would be a Council speech on the subject during the October part-session.

- Oral question with debate (Doc. 1-297/79) and oral question without debate (Doc. 1-311/79) on sheepmeat.
- Oral questions without debate on aid to South-East Asian refugees (Doc. 1-293/79).
- Oral question with debates on the Italo-Tunisian fisheries agreement (Doc. 1-299/79).
- Oral question with debate on freedom of trade (Doc. 1-289/79).

The oral question with debate on the budget would be postponed to the next part-session, which does not seem to pose any problems since the chairman of the Committee on Budgetary Control does not object to this question not being dealt with by urgent procedure. These changes to the agenda should enable us to deal satisfactorily with the most urgent questions and at the same time to fulfil our commitments to the staff, who are such a great help to us in our work.

I call Mr Radoux.

Mr Radoux. — *(F)* Madam President, I agree with what Mr Scott-Hopkins said. In fact, I think that the staff deserve our gratitude for agreeing to the proposal and I should like to thank them publicly on behalf of the Socialist Group.

President. — I call Mr Blumenfeld.

Mr Blumenfeld. — *(D)* I realize that you are doing your best to ensure that we get through as much of the agenda as possible, Madam President, but I am not prepared to have you state, without even consulting me or the chairman of the Political Affairs Committee, that our debate, which is of fundamental importance, is to be postponed to October. With all respect for my colleague Lady Elles, I fail to understand why her question is fundamentally more important than the one we have tabled. I must therefore insist that the oral question on European political cooperation (Doc. 1-294/79) remains on the agenda as printed.

President. — I call Mr Colombo.

Mr Colombo. — Madam President, I totally agree with Mr Blumenfeld. We should at least a he to betoeld why it is to be postponed to the next part-session.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Madam President, perhaps it was unfortunate that Mr Blumenfeld and Mr Colombo were not at our meeting, but as I understood it then, the Council's representative said that the Council would be making a statement in July covering the very issues mentioned in Mr Blumenfeld's Oral Question with debate. Those who were present at the meeting under your chairmanship felt that because of the statement from the representative of the Council of Ministers, the proper time to have that debate would be in October, because we could then combine the two debates.

President. — I can only confirm what Mr Scott-Hopkins has just said : as I pointed out a moment ago, it is in view of the information provided by the representative of the Council that it seemed appropriate to postpone this question to October. Since the spokesman of the Group of the European People's Party agreed, I thought that I could abide by what was agreed at the meeting of group chairmen.

I call Mr Blumenfeld.

Mr Blumenfeld. — *(D)* Madam President, I am afraid that Mr Scott-Hopkins' explanation cannot convince me either that what you say is a valid argument for postponing the question. I must also state on behalf of the Members of my Group, who are rather more strongly represented here than the non-attached Members, that although we have toed the line so far, we feel that we, too, have the right to speak up about matters we consider to be important. We are not present in this House simply as passive onlookers, and we should like to be sure that the proceedings in a plenary sitting are held in accordance with the printed agenda, Madam President.

I would ask you to let Parliament vote on the matter, since I fail to understand why the energy debate with its very many speakers is so much more important than other items on the agenda. It is precisely because of the previous debate on the Rules of Procedure that we are behind with our agenda. I appreciate your difficulties and fully sympathize with you, but I must insist that you do not simply impose your decision on us without consulting us and without hearing the author of the question. You cannot do that. With all due respect for you, Madam President, and for the group chairmen, you must discuss the matter with us and obtain our agreement. You cannot simply announce the postponement as if the decision were final. I would therefore ask that a vote be taken.

President. — Mr Blumenfeld, the group chairmen were consulted, the proposals I made were straightforward, I have not imposed any decision on you and therefore a vote will be taken, as you request, on the decision. But this morning's meeting did allow us to see some chance of a way out of our dilemma.

I call Mr de Goede.

Mr de Goede. — *(NL)* Madam President, I have listened with interest to your proposals and appreciate the solutions you suggest. However, I should like to ask, since I may well not be the only one who is a little at sea over the proceedings for the res of this week, whether it is possible in the course of the afternoon to produce an amended agenda for the rest of this week. I should be very grateful to you if you could arrange this, and I am sure that the staff who will have to be on duty would be also.

President. — As soon as the amended agenda has been adopted, it will be printed and distributed.

I call Mr Almirante.

Mr Almirante. — *(I)* Madam President, it goe without saying that we non-attached Members have not been consulted. We nevertheless have no difficulty in approving the amended agenda which you have proposed. If I may, I should just like to ask you for an explanation to avoid the unfortunate misunderstandings which arose this morning. We should like to know whether the deadline for Members to put their names down to speak, which was fixed at 11 o'clock this morning, still applies or whether Members can still put their names down to speak on the points arising from the amended agenda. I would ask you to shed some light on this.

President. — Mr Almirante, the changes to the agenda effect the timetable rather than the actual content. Very few questions have been removed from the agenda.

The aim is to limit the length of the debates. Since the number of Members who have applied to speak make it likely that the debates on each subject will be extremely long, we are obliged to uphold the limitation of the number of speakers listed.

On the otherhand, we noted that many Members from certain groups had entered their names. The group chairmen agreed to try to limit the length of these speeches or to reduce the numbe, for which I am grateful to them.

With regard to the items which were not to be debated until tomorrow, speakers have obviously not had the chance to enter their names before 11 o'clock. They still do so until 6 p.m. today, when the list will be closed.

President

I call Mr Cecovini.

Mr Cecovini. — (*I*) Madam President, we have no objections to your proposals for amending the agenda; however, no mention seems to have been made of Doc. 1-299/79 on the Italo-Tunisian bilateral fisheries agreement. We would not like to see this item postponed since it deals with an extremely urgent matter. I should be grateful if you could give an explanation.

President. — This item is on the agenda for this evening.

I call Mrs van den Heuvel.

Mrs van den Heuvel. — (*NL*) Madam President, it strikes me that all the Members present are convinced that the debates in this House must be conducted in an orderly manner, except when it comes to withdrawing items which they themselves have tabled or on which they wish to speak. I find this an absolutely impossible situation and, as the spokesman for my group on the item which you have just proposed should be removed from the agenda, I should like to support your request and appeal to everyone, even when they are directly concerned themselves, to make sacrifices in the interests of the proceedings in this House.

President. — I call Mr Seefeld.

Mr Seefeld. — (*D*) Madam President, as chairman of the Committee on Transport, I should like to speak on the point which you raised, namely the presentation in the House this evening of an opinion on a memorandum from the Commission on the contribution by the European Communities to the development of air transport services.

Madam President, I am perfectly prepared to make any sacrifice, but I must point out that this report cannot be presented unless the responsible Commissioner, Mr Burke, is in the House. In my committee Mr Burke urged that this subject should be explained to Parliament very thoroughly, and he wanted to do this himself. The questions involved — and I beg your indulgence — may not be obvious, but they concern consumer interests, air fares and the way in which air transport as a whole is developing in Europe. I am concerned that the subject is to be dealt with by Parliament at about midnight and perhaps even in the absence of the responsible Commissioner. If you wish to proceed as you proposed, I feel that we should try to come to an agreement with the Commission that if necessary the report be presented not during this part-session but at the next one. For me and the Members of the Committee on Transport the subject is so important that it ought not to be dealt with among the 'also rans'. It involves millions of people who are affected by decisions in this sector. I would urge you to bear this in mind, Madam President.

President. — We are in rather a difficult situation, since we must take account at the same time of the Council's presence, the Commissioner's presence and of our undertaking not to hold more than one night sitting in each part-session.

If I understand you properly, you would prefer this question to be dealt with properly during the next part-session rather than too hurriedly and at an inconvenient time during this one.

Mr Seefeld. — (*D*) Yes, Madam President, that is correct, but I am not in a position to propose it. It was the Commission's wish to report on the subject. I hope that I am speaking for Parliament as a whole when I ask the Commission whether, in view of the importance of the subject, it is prepared to postpone it if necessary to the next part-session. The request is addressed to the Commissioners.

President. — I shall put the question to the Commission. I call Mr de la Malène.

Mr de la Malène. — (*F*) Madam President, without wishing to aggravate your difficulties, which I understand very well — in fact I wish to help you — I should be grateful if you would clarify one point so that Members can plan their timetables accordingly.

You stated a moment ago that the question of the number of Quaestors would be dealt with this evening after the energy debate: but since you said nothing about tomorrow's debates, could you tell us that the vote to appoint the Quaestors will take place tomorrow morning at about 10 o'clock so that everyone can arrange to be there.

President. — This point was also dealt with during the meeting with the group chairmen. The election of quaestors will indeed take place at 10 o'clock, since the budget debate is to begin at 11 o'clock.

I call Mr Paisley.

Mr Paisley. — Madam President, could you tell us when the vote is going to take place on the motion for a resolution on energy? We were promised this morning that it would take place first thing tomorrow morning. Is that still on the agenda?

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — It seemed to be decided, Madam President, that we would vote on the number of Quaestors after Question Time. There would be a short debate, to be followed by a vote on the number of Quaestors. Then, tomorrow morning at 10 o'clock, we would vote on the election of the Quaestors. That vote, since it would be by secret ballot, would take about an hour and would be finished by 11 o'clock. The budget debate would then commence. That would seem to me to be what we agreed when we were talking under your Presidency.

President. — We must also fix the most appropriate time for the vote on a motion for a resolution on energy problems.

Mr Scott-Hopkins.— Surely Madam President, the items on which the debate finished today after 3 o'clock should be put to the vote tomorrow afternoon after Question Time. The vote on the motion for a resolution on energy, if one has been tabled would therefore be taken tomorrow at 4.30 p.m.

President. — This vote will take place tomorrow at 3.45 p.m. I call Mrs Cassanmagnago Cerretti.

Mrs Cassanmagnago Cerretti. — (I) Madam President, at the meeting of the Bureau it was decided, in view, among other things, of the staff problem, to postpone Questions Nos 1-294/79, 1-288/79 and 1-284/79. Since it now appears that Question No 1-288/79 is to be debated, and since it is linked to Mr Blumenfeld's question (Doc. 1-294/79), we do not think it right to postpone only this latter question. If our aim is to assist the President, all the groups should play their part; if the Group of the European People's Party is the only one that has to withdraw one of its documents, we do not agree.

President. — Since we are no longer agreed on the postponement of item 27, I shall consult Parliament. I would remind you that, if we have to retain items 27 and 32, the number of speakers listed means that our debate will carry on until 3 or 4 o'clock in the morning! Then we would be again faced with the same difficulties in arranging the sitting with the staff.

I therefore put to the vote the proposal to postpone to the next part-session consideration of the oral question with debate, put by Mr Blumenfeld to the Foreign Ministers, on European political cooperation (Doc. 1-294/79).

That is agreed.

May I take it that, as was originally planned, the same applied to the oral question with debate, put by the Committee on Development and Cooperation to the Commission, on the massacres in the Central African Empire (Doc. 1-284/79)?

That is agreed.

I can announce that Mr Davignon has just informed me that the Commission agrees to the postponement of the question on air transport, which can now be dealt with more thoroughly during the October part-session.

9. Question Time

President. — The next item is the second part of Question Time (Doc. 1-314/79).

We begin with the questions addressed to the Council.

I call Question No 45 by Mr Spicer :

Will the Council confirm that the Community will not impose any restrictions on imports of raw materials originating in the Republic of South Africa until reliable alternative sources for the same raw materials have been established and proved?

Mr Andrews, President-in-Office of the Council. — Before I go into the questions, Madam President, may I return to your opening statement and associate myself with the expressions of appreciation and gratitude to the staff for continuing during the course of this evening and possibly into the morning. I very much appreciate it.

I would now like to reply to the question. The Council has never discussed the problem brought up by the respected Member.

Mr Spicer. — I am sure the President-in-Office will understand that I am bound to be a little disappointed by that reply. Given the great dependence that we in the Community have on suppliers of raw materials, both from South Africa and from southern Africa, would he not agree that it is high time that we tried to encourage secure investment prospects for mining firms in southern Africa? These investments are declining at the moment, whereas, given our dependence, they ought to be expanding. But they will not do so until there are secure investment possibilities, both within South Africa and within the Lomé Convention as well.

Mr Andrews. — I appreciate the fact that maybe I could not make the respected Member entirely happy, but the reality of the situation is that the original question is related to the import of raw materials from South Africa. I would respectfully suggest to the Member that, if he would care to put down a separate question for October on investment conditions in the context of the Lomé Convention, I think he would find that the Council would be very pleased indeed to reply to his question in that context.

Mr Linde. — (D) Does the Council not feel that it should be impossible for us to import coal, a raw mat-

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erial in which the Community is rich, from South Africa since it is mined in that country by workers who are treated as slaves?

(Applause from certain quarters)

Mr Andrews. — Again, without wishing to give the questioner a short answer, I must point out that the Council has never discussed this matter, and I would respectfully suggest that it be made the subject of a separate question.

Mr Vanneck. — I wonder if the Council is also aware that, besides coal, there are certain raw materials, particularly metals — and I instance platinum as an example — that are vital to the European Community and that are mined virtually only in the USSR, where also the workers are treated as slaves.

(Applause from certain quarters)

Mr Andrews. — I would suggest that is not so much a question as a statement; but the Council is very well aware of the contents of what the respected Member has stated.

President. — I call Question No 46, by Mr Normanton:

What are the President's engagements for the next three months?

Mr Andrews, *President-in-Office of the Council.* — The honourable Member will understand that the President-in-Office has numerous engagements which would be better listed in writing, even for the next three months. With the Member's permission, I undertake to send him as complete a list as possible of the forthcoming engagements of the President-in-Office of the Council and of the Ministers meeting in political cooperation.

Mr Normanton. — I am grateful to the President-in-Office of the Council for that response, and I am sure that the list, when I receive it, will confirm the general awareness in this House of the very heavy burden which the President bears during his short period of office. Would he not agree, however, that a number of major changes are urgently called for in the way in which the Council of Ministers works? Firstly, for example, the six-monthly rotation — surely a device which guarantees the curtailment of continuity; secondly, the colloquy with the European Parliament — valuable in itself, but lamentably inadequate; and thirdly, the conciliation procedure with the Parliament — a major constructive institutional development, but in need of very considerable expansion.

Mr Andrews. — My information is indeed that the three wise men will be considering these matters and that, on completion of that particular report by these three wise gentlemen, the Council will then take the matter up further, but speaking personally I have the greatest sympathy with the respected Member's point of view.

Mr Battersby. — Will the President-in-Office arrange to meet China's leader, Chairman Hua Guofeng, during his visit to Europe in November 1979?

Mr Andrews. — Yes indeed, this is an extremely interesting suggestion, and I would certainly be pleased to bring the request to the attention of my colleague the Minister for Foreign Affairs, Mr O'Kennedy, who is President-in-Office of the Council.

President. — Since its author is absent, Question No 47, by Mr van Aerssen, will receive a written reply.¹

I call Question No 48, by Mr Debré:

Does the Council not think the new international economic conditions justify a change in the application of the Community's trade policy, and if so does it intend to ask the Commission to submit new proposals to this effect in the near future?

Mr Andrews, *President-in-Office of the Council.* — The Community has, under the aegis of the European Council, developed a common strategy to surmount the current economic and social difficulties. Trade policy constitutes only one feature of this strategy and cannot therefore be evaluated in isolation. In the present circumstances, the guiding principles underlying Community trade policy may be outlined as follows.

It is the intention of the Community to help promote an international free trade system and to combat protectionism. Sustained growth in international trade is necessary both for the prosperity of the Community, the world's leading exporter, and for the growth of the world's economy. A situation of economic growth, moreover, facilitates the indispensable structural adjustments required of our economies by the new international division of labour. It was in the light of such considerations in particular that the Community contributed to the success of the GATT multilateral trade negotiations. It is evident that the grave employment problems and the difficulties affecting certain branches of Community industry imposed both economic and political constraints on

¹ See Annex, p. 205.

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the openness which the Community is in a position to demonstrate. It is for this reason that in the GATT negotiations, for example, or in the annual review of the generalized preferences scheme, the Community adapted its concessions to the possibilities afforded by the various sectors of industry and refused any concession where it seemed vital to do so. To take another example, in the textile and steel sectors the Community took the initiative of concluding voluntary restraint agreements with its main suppliers to keep imports within tolerable limits. Finally, the Community is particularly watchful that everybody abides by the rules.

The Council considers that these guiding principles of trade policy and the defensive machinery available to the EEC have, on the whole, shown themselves to be adequate. Accordingly, the Council has not hitherto felt it necessary to request that the Commission submit new proposals to change the direction or application of the trade policy.

Mr Debré. — (*F*) Mr Andrews, I can only thank you and congratulate you on the sincerity and skill with which you answered this question. However, do not be surprised if there are supplementary questions.

Firstly, we have two major partners, the United States and Japan, whose leaders are full of fine words about free trade but behind these words, they have a very different attitude. As the saying goes, 'the cowl does not make the monk' and there are some very protectionist monks, if I might put it that way, hiding under the liberal cowls of our partners. Is not the Community, i.e. the Commission and the Council, being a little shortsighted if it cannot see the double dealing on the part of these major partners?

Secondly — and this question is all the more pertinent in view of what was said in this House yesterday afternoon — we are aware that dumping and fraudulent practices are going on in certain fields and that these practices, under the cloak of liberalism, in fact lead to vicious unfair competition.

These two questions lead to one conclusion. If the Council and Commission, in accordance with the instructions of the Council, fail to revise their policy, is there not a danger — and a very real danger — of a return to protectionism within the Community? If we wish to prevent the return of national protectionism as a result of indirect measures, it is in my view vital that the Council should re-examine the guidelines it has laid down for the Commission as regards trade policy.

In view of the gravity of these questions, I hope you will not be surprised if, following this extremely brief debate today a further question on the same subject, with debate if possible, is put at a subsequent part-session. It is the future of the Common Market which is at stake. In my view, unless the trade policy of the Community is revised, we will see over the next few months a return to internal protectionism for the economic and social reasons to which you yourself have drawn our attention.

Mr Andrews. — I am most grateful indeed to Mr Debré for his remarks. I would like to assure him that whether it be the United States of America, as he suggested, or Japan or, indeed, anybody else for that matter, the Community is particularly watchful that everybody abides by the rules and that balanced results are obtained in all important negotiations. I would like to give an assurance to the last questioner on that point.

Mr de Courcy Ling. — Is the Council aware of the very widespread support for the anxiety expressed by the former Prime Minister of France, not only in regard to our trade with the United States but also in regard to trade with Japan? This constant flow of Japanese motor vehicles and electronic goods is a very serious threat to certain industrial areas of the Community and aggravates the chronic problem of unemployment from which these areas suffer. Does not the President-in-Office think that we have been too patient for too long with the Japanese, and that the time has come for us as a Community to be more stringent, particularly in regard to reciprocity and outlets for Community industry and Community exports in Japan.

Mr Andrews. — As I said in my original reply, I am fully aware of the anxiety expressed by the respected Member, and would assure him and the original questioner that the Council is indeed competent in the negotiating ability of the Commission in regard to all these matters. I do not think I can say anything further in relation to the point of view put forward.

President. — I call Question No 49, by Mr Donnez :

The eighth of May is known throughout the world as the day on which the reign of Nazi dictatorship in Europe was brought to an end. Would it not be a good idea to make this day a European public holiday, to be observed in each of the Member States of the Community?

Mr Andrews, President-in-Office of the Council. — As no proposal for the introduction of a European public holiday has been put before the Council, it has not been called upon to discuss the matter.

Mr Donnez. — (F) In that case, when does the Council expect to discuss the matter?

Mr Andrews. — This will depend on when the matter is put before the Commission; that is the reality of the situation. It would then be forwarded to the Council by the Commission.

In other words, when the appropriate mechanisms are operated, the Council will undertake to look at the matter very seriously.

(Laughter)

Mr Donnez. — (F) I shall certainly do so.

Lord Harmar-Nicholls. — When the Council are looking at this, will they keep in mind that, whilst one welcomes the release from Nazi dictatorship, it is a peculiar way of celebrating the freedom we won by making it more difficult for the free Western World to get on with the production which will let us enjoy the fruits of the victory — and extra public holidays, in terms of industrial output do just that.

(Cries of 'Hear! hear!')

Mr Andrews. — I would like to remind the questioner that this is not on the agenda of the Council, and indeed it is unlikely to be on the agenda of the Council. But if I may help the House in regard to this question generally, I would remind it that 5 May is celebrated as Europe Day by Member States of the Council of Europe. All Member States of the Community are Member States of the Council of Europe.

President. — I call Question No 50, by Mr Poncelet:

Does not the Council agree that the Commission has exceeded the terms of its mandate for negotiations with China and that the overall ceilings for imports of Chinese textiles agreed to by Europe are not compatible with the EEC's position on the matter?

Mr Andrews, President-in-Office of the Council. — The Textiles Agreement between the Community and the People's Republic of China was initialled in Peking on 18 July 1979, after long and difficult negotiations which were started at the end of last year at the request of the Chinese side. These negotiations were conducted by the Commission with the assistance of the Article 113 Committee. The Agreement with China, which was intended to replace the unilateral arrangement hitherto applied to Chinese textiles imported into the Community, was associated by the Chinese side with implementation of the 1978 Trade Agreement, and should in fact be set in the more general context of relations with China. Against this

background the Council directives provided for the conclusion of a *sui generis* agreement which, on the one hand guaranteed China an increase in its textile imports to the Community within limits which, however, took full account of the difficulties facing the textile industry in the Community, but which in some cases meant exceeding to some extent the internal overall ceilings. On the other hand, as a *quid pro quo*, it included a safeguard clause which would be particularly effective in the case of products not subject to limitation, a more rigorous price clause, and an undertaking on the part of China to guarantee supplies to the Community of certain raw materials for the manufacture of textiles.

While the negotiator is responsible for initialling the Agreement, it is the responsibility of the Council, on the recommendation from the Commission, to decide on the conclusion of the Agreement which would definitely commit the Community. I would like, however, to make it clear that when informed of the outcome of the negotiations by the Commission, all delegations considered the agreement satisfactory. The Council is, of course, ready to inform the European Parliament of the terms of agreement in accordance with the Westerterp procedure.

Mr Poncelet. — (F) I should like to thank Mr Andrews for filling in a few details on the agreement between the Commission and China. I should like to ask whether he would inform this House of the terms of this agreement.

Initially, the Council had recommended to the Commission that a certain tonnage should not be exceeded. However, on completion of the negotiations this tonnage had in fact been exceeded which led the government of one Member State to protest strongly against the agreement which had been prematurely concluded between the Commission and China. What action has the Council taken *vis-à-vis* the Commission in this regard?

An overall agreement has now been concluded between the Community and China. Will this agreement involve cut-backs in the overall agreements concluded under the Multifibre Arrangement with the signatory States? If not, Europe will once again be inundated with imports of textile products from third countries.

Mr Andrews. — Yet again I sympathize with the general point of view expressed in the Member's question, but as I made clear in my reply, the Council is ready to inform the Parliament of the situation, if it so wishes under the Luns-Westerterp procedure. I am sure that you would wish to follow that procedure which has been agreed between our two institutions rather than pursue the matter in plenary session. I think the deputy will appreciate the tone of my reply to his question.

Mr Battersby. — Madam President, whilst accepting the procedure, I would point out that, although the agreement has been initialled, we do want to expand our trade with China. Are there any factors inhibiting signature of the agreement on textile imports from China, and if so what are they — bearing in mind the need for China to earn the currencies with which to purchase high technology products such as the European Airbus, to name just one of the many products they are trying to buy from us?

Mr Andrews. — Whilst repetition is the mother of study, it is not my intention to repeat my reply to the question posed by the previous questioner, but to say again that the answer to the respected Member's question might be found in the Luns-Westerterp procedure.

President. — I call Question No 51, by Mr Ansquer :

Does the Council intend to introduce an organization of the market in potatoes?

Is there not an urgent need for such organization now that the United Kingdom has introduced discriminatory measures, with effect from 1 July, against imports of new potatoes, especially from France and Italy?

Mr Andrews, President-in-Office of the Council. — The Council has examined, on several occasions, the Commission proposal for the organization of the market in potatoes. However, discussions so far both within the Council and its subsidiary bodies have brought to light a number of problems, which are difficult to resolve owing to the political, economic and social implications for production and marketing. The Council thinks in particular that it is necessary to reconcile the interest of the producers concerned with a policy which avoids the creation of surpluses as a result of over-encouraging production. The Council, moreover, wishes to restrict as far as possible any expenditure which would have to be borne by the EAGGF. Because of all these problems, no solution has yet been found. The Council is, however, aware of the importance of finding a solution and can assure the Parliament, through you, Madam President, that it will continue to work very hard towards that end.

President. — Mr Seal, I realize that you have made two requests to speak but I have already refused others. We must proceed quickly. According to the Rules of Procedure, when a question has been discussed sufficiently, we proceed to the next.

Mr Ansquer — (F) The organization of markets, particularly the market in potatoes, is one of the objectives of the common agricultural policy. I am grateful to Mr Andrews for his answer, and we are aware of the efforts being made by the Council and the Commission with a view to improving the common agricultural policy. However, since this problem, though specific, is one of some significance for both producers and consumers, I should like to put a

supplementary question to the President-in-Office of the Council, namely whether the Council has considered the particular difficulties facing producers of early fruits and vegetables, particularly new potatoes, since I think it is the arrival on the market of early products which has resulted in major difficulties in both Italy and France.

Mr Andrews. — I am very grateful indeed to the honourable Member for his support for my reply to the original question. In reply to his second question I should like to let him know that the answer to his second question is, yes. This is one of the elements which in fact has been considered, and I am grateful to him indeed for raising the matter.

President. — Since its author is absent, Question No 52 will receive a written reply.¹ I call Question No 53, by Mr Ruffolo :

What steps does the Council intend to take to ensure that Parliament is fully informed of the contents of the basic documentation prepared for the Council on the various instruments to promote convergence of the Member States' economies and also of the contents of the report which the Commission is drafting for the Council on this subject?

Mr Andrews, President-in-Office of the Council. — In recent years the Community has introduced a number of instruments likely to promote the convergence of the Member States' economies. These measures have been the subject of formal Council decisions adopted after consultation with the European Parliament. The Council is currently examining this question in the light of the conclusions of the European Council in Strasbourg on 21 and 22 June 1979. If at the end of this examination it should prove desirable to adopt new measures of the same type, the Council will certainly consult the European Parliament. The Commission's document to which the honourable Member alludes is merely a reference document intended to contribute to the Council's discussions.

Mr Ruffolo. — (I) I am very disappointed at the President of the Council's reply since I see that the Commission and the Council have not felt it necessary to inform Parliament of the contents of such an important document dealing with a problem as fundamental as the convergence of the economies of the Member States. Not only was this document not submitted to Parliament, but I do not think that merely by submitting this so-called 'reference' document the Council would be fulfilling what is a specific obligation *vis-à-vis* Parliament — particularly when such a crucial matter is involved. Indeed, it seems to me that as regards this particular problem, the Council and the Commission will end up acting

¹ See Annex, p. 205.

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in a purely technical and consultative capacity *vis-à-vis* the European Council, which, I feel will lead to a weakening of the role of the Community institutions. I feel, in fact, Madam President, that the more general question of the relations between the European Council and the Community institutions should be brought up in this Parliament. However, the report, which is regarded as a reference document, should, in my view, be submitted to this Parliament as soon as possible for examination, and I reserve the right to table an oral question with debate on it.

Mr Andrews. — I take the Member's point. But I think there may be some slight misunderstanding on his part, and I say this with the greatest respect, of course. But as I understand the situation, the Council has no obligation whatever to send this internal working document to Parliament, and I would plead with the honourable Member to be patient. He will in fact have the opportunity to discuss this particular item in due course. As the Member is aware the Commission's reference papers are limited to giving certain factual information in order to assist the Council's discussion, and for this reason the Council does not envisage, as I have already stated, sending this particular paper to the Assembly. It has not hitherto been the custom to send internal working papers to Parliament.

Mr Jenkins, President of the Commission. — In order to help the House, and indeed the Council, let me say that the reference document was formally communicated by the Commission to the Parliament on 17 September.

President. — I call Question No 54, by Lord Bethell:

What action is the Council taking to implement the recommendations of the Commission's memorandum of 6 July 1979 on European air transport? Do they share the Commission's aim to achieve a wider application of cheap tariffs in intra-Community air travel?

Mr Andrews, President-in-Office of the Council. — The Commission intended the memorandum of 6 July 1979 on 'a contribution to the development of air transport services' submitted to the European Parliament, the Economic and Social Committee and the Council, as a contribution to the discussions on the development of air transport services. The Council, which has moreover already prepared a list of questions on air transport for discussion as a matter of priority, will also examine the memorandum mentioned by the honourable Member, giving close attention to the problem of cheap tariffs to inter-Community air transport. The Council would be pleased to have the opinion of the European Parliament on the ideas put forward in the abovementioned memorandum.

Lord Bethell. — I hope I can take it that the President-in-Office, especially coming as he does from Ireland, is well aware of the urgent need for reform of the European air travel system; that he is well aware of the situation in which European airlines, protected as they are by the cosy IATA cartel, have more or less effectively priced themselves out of the market, and that the European traveller is reduced to bizarre subterfuges in order to travel about the Community at a price that an ordinary person can afford. He is forced to buy IT tickets, APEX tickets, black market tickets, in order to reduce the cost of air travel by as much as 50%. Does the President-in-Office not appreciate the fact that an artificial market in air travel now exists, and that it is no coincidence that certain airlines in the Community are now reducing their fares by 50%. This has been announced over the past few days.

Will he not, as President-in-Office, direct the attention of the Council to the dangerous situation created by this system of bilateral agreements between governments setting air fares for the Community, and move towards a freer system, to the introduction of free enterprise, such as now exists for travel across the Atlantic, to enable the European traveller to travel by air at a price he and she can afford?

(Applause from the European Democratic Group).

Mr Andrews. — Yes, I would be very pleased indeed to respond positively to Lord Bethell's exposition. Indeed, I would like to tell him that the Council would be very pleased to have the opinion of both himself and his colleagues in the European Parliament on the idea forwarded in the memorandum that I mentioned in the original reply to the question.

Mr Moorhouse. — I am most grateful to my colleague for putting so eloquently the issues involved in air travel today within Europe. May I ask the President-in-Office whether he is aware of the glaring discrepancy in air fares between, on the one hand travel within the Community and, on the other, travel to, say, the United States from Europe and within the United States itself? Is he aware, for instance, that normal air fares within the United States are, as a broad generalization, about half normal air fares within the EEC? One has, sir, the quaint position where to fly from London to Copenhagen return costs no less than £208 sterling; whereas for a comparable distance within the United States, the fare would be about half. Again, if one takes the Paris-Copenhagen route, is he aware that the fare is of the order of £273, and would he not agree that this is an excessive figure and bears out the point that the fares charged by airlines in Europe, operating within a national cartel, are excessive to say the least? Is he further aware that air fares to the United States charged by at least one independent airline, Freddy Laker, are no more than

Moorhouse

£70 single from London to New York, and no more than £94 single from London to Los Angeles? While no doubt one cannot make exact comparisons, I trust that these matters will be taken into account, and I would ask again whether the President-in-Office can account in any way at this stage for these remarkable differences.

Mr Andrews. — I must congratulate the honourable Member for his obviously deep study of this particular problem; I think that it would be useful both to him and to Parliament if, as I already stated in my reply to the original questioner, the Council were to be forwarded the opinion of the European Parliament on this particular subject, particularly in relation to the comprehensive piece of information the honourable Member has given to Parliament and myself on this occasion. We would welcome its incorporation on any document that Parliament might provide for consideration by the Council.

President. — I must remind the House that Members are not permitted to make statements or comments during Question Time but only to put questions.

I call Question No 55, by Mr Prag:

Although the OILPOL international convention makes it illegal for ships to discharge oil in the English Channel, this convention is regularly infringed, largely because enforcement is inadequate and ineffective.

The only effective agreement systems appear to be based on supervision by adequate numbers of aircraft equipped with suitable photographic equipment.

As Community action in this field should prove less costly and more effective than separate action by the Member States, and could be envisaged in the Mediterranean as well as the Channel, will the Council meeting in political cooperation take initiatives with a view to the establishment of effective Community control of this particularly objectionable form of pollution, and in particular the establishment of an effective Community anti-pollution force of suitably-equipped aircraft?

Mr Andrews, President-in-Office of the Council. — The Council is at present examining a Commission proposal for a Council decision requiring the Member States to take the necessary measures to ensure the effective application of the control procedure listed in paragraph 12 of the Annex to IMCO, the Intergovernmental Maritime Consultative Organization, Resolution A 391. Pursuant to this resolution, a port authority receiving information about the contravention of the 1954 convention for the prevention of pollution of the sea by oil should inspect the oil record book of the ship alleged to have committed the contravention and should send a copy of the relevant entries in the book kept by the ship to the flag State. The draft before the Council also provides that the Member States should endeavour to arrange for the tanks of ships presenting to load oil to be inspected in the light of the measures outlined in the appendix to

the annex of the abovementioned resolution, which describes the way in which terminal staff may be involved in this task.

The Council has already agreed on the substance of this proposal. The difficulties of a purely legal interest still have to be resolved.

The Council has not discussed the question of supervision by aircraft. It believes that such supervision is already carried out by a number of Member States.

Mr Prag. — Is the President-in-Office not aware that the sort of supervision carried out by the Member States so far has proved entirely inadequate; that ships do not obey the regulations and that the only effective steps taken seem to be inspection by suitably equipped aircraft, of which there are very few, and which certainly have not succeeded in coping with the problems so far, and would he not also agree that public opinion would be more impressed with the European Community if it were to concern itself more with positive cooperative action such as this and rather less with voluminous legislation?

Mr Andrews. — I can't entirely accept what the honourable Member has said. I would like to suggest to him that all the Member States will respect the IMCO resolution.

Mr Spicer. — I am sure that the President-in-Office will accept that this problem extends to the Irish Sea as well, and not just the English Channel is involved. But would the right answer not be to ban from all Community ports all oil tankers that do not have facilities for load on top? Either they can take their sludge, keep it in a tank on board, or, if ships do not have that facility ought they not to be banned from all our Community ports? The reputable oil companies will accept this, I know, quite happily.

Mr Andrews. — That is a very reasonable point of view, and indeed, perhaps they should be.

(Applause)

Mrs Ewing. — I am grateful to the President-in-Office for his answer, because obviously the Council have taken a number of steps in the right direction. But do we not — and I would like to associate myself with the other questioners here and all they have said — do we not need a code of conduct from this Parliament to be imposed on all oil tankers and on all multinational companies using oil tankers? Because the phrase: 'the reputable oil companies' is a bit puzzling. To me, with the Shetland incident in mind, where we have had pollution spills recently and where we are going to have them again because of the shocking use of flags of convenience by all — I repeat 'all' — the oil companies, this is not a question where we would look at the will of everyone to stop the pollution of the seas of Europe. Why cannot this Council in six months produce a code of conduct on all these matters?

Mr Andrews. — As I have already stated — and I do not want to prolong the agony in this regard — we have the IMCO resolution. All the Member countries are determined to apply that resolution. Now that answer may not be to the satisfaction of Mrs Ewing in the circumstances — and I speak personally in that regard — but as far as the Member States are concerned, they are determined to bring a halt to much of what she has mentioned, if indeed not all.

President. — I call Question No 56, by Mr O'Connell :

Does the Council agree that proposals from the Commission regarding consumer protection have been blocked by the Council and will it state the reasons for the delay in implementing these proposals in order to ensure that the second action programme of the European Community is more successful than the first one ?

Mr Andrews, President-in-Office of the Council. — The Council acknowledges, as in fact it stated before your Assembly last April in reply to the oral question put by Mrs Krouwel-Vlam and others, that the application of the first action programme of the European Communities for a consumer protection and information policy is proving to be a slower and more laborious process than might have been thought when the Council adopted the programme in April of 1975. I will confine myself to giving two reasons for this delay, which seem to me to be particularly significant. The first stems from the fact that the most important proposals for directives are designed to harmonize the provisions of civil law relating, *inter alia*, to contract law the rules on invalidity or the mechanism of shifting the burden of proof. However, as you are aware, the civil law of our Member States is based on different traditions and legal systems.

The second reason is the different circumstances and practices from one Member State to another. There are, for example, differences in the sensitivity of the general public to consumer problems. Different stages have been reached in promulgating laws to protect the consumer, and of course habits of consumption also differ. In spite of these difficulties, the Council is actively pursuing examination of these proposals.

On 19 June 1979, it adopted a consumer protection directive on the indication of the prices of foodstuffs, which makes it compulsory to indicate the selling price and the unit price. This directive supplements the important directive of 18 December 1978 on the general labelling and presentation of foodstuffs.

Mr O'Connell. — I would like to point out that the inordinately long time taken by the Council cannot be justified by the reasons given by the Minister in question. Could I ask, in view of that: would the Minister consider that a time limit be set for the implementation of the second programme on consumer protection? Could I also ask the Minister if

the Irish Presidency would consider it desirable for a Consumer Council to be set up during its term of office with a target date of, say, December 1979?

Mr Andrews. — On the first part of the question, I would like to assure him that the Council will work as fast as it possibly can in relation to the subject matter of that part of his question.

On the question of setting up a Consumer Affairs Council during the six months of the Irish presidency, I have no doubt that a Consumer Affairs Council would be convened by the Presidency of the Council if and when important decisions were in preparation which would warrant the holding of a Council of Ministers in this particular formation.

I hope the answers to the two questions are to the satisfaction of the proposer.

Mr Welsh. — Would the President-in-Office of the Council accept, notwithstanding the trend of his last two answers, that consumers can also suffer from overprotection by well-intentioned public authorities? And does he consider that the announced intention of the Commission to actively promote consumer interests carries with it a long-term threat to the ability of citizens to make their own choices and be responsible for them?

Mr Andrews. — I accept, indeed, what the respected Member says in relation to consumers suffering from overprotection, so that the answer to that question is yes; the answer to the second part of the respected Member's question is that the Council will take account of his views.

President. — I call Question No 57, by Mr Møller.

Does the Council agree, especially in view of Article 222 of the EEC Treaty, that the questions of workers' rights to co-ownership of undertakings and 'economic democracy' lie outside the scope of the EEC Treaty?

Mr Andrews, President-in-Office of the Council. — The Council has not had occasion to look into the matter of the possible repercussions of Article 222 of the EEC Treaty on the subject referred to by the respected Member.

Mr Møller. — (DK) If I have understood Mr Andrews correctly he said that the Council has not had occasion to look into the matter I have raised. I should therefore like to ask whether the representative of the Council will see to it that the Council looks into the question from both the legal and economic points of view?

Mr Andrews. — I quite agree that the Council has not taken account of the first part of the respected Member's question. I take note of what he has said and will, under the circumstances take a special interest in the matter.

President. — Since they deal with the same subject I call Question No 58, by Mrs Ewing :

Will the Council make a statement on the progress made so far in their discussions on achieving a common fisheries policy ?

and Question No 60, by Mr Kavanagh :

What initiatives does the President-in-Office intend to take to expedite the adoption of a common fisheries policy during his period in office ?

Mr Andrews, President-in-Office of the Council. — When the Council last discussed this issue on 25 June 1979, it once again proved impossible to reconcile the divergent views which have thus far precluded the definition of a new common fisheries policy. However, in a decision taken on the same date, the Council undertook to reach agreement as soon as possible in 1979 on Community measures for the conservation and management of fisheries resources and related matters. With this in view, a Council meeting will be convened for 29 and 30 October. Pending the adoption of definitive arrangements, the Council adopted on 25 June 1979 a range of interim measures to apply until 31 October at the very latest.

Turning to Mr Kavanagh's question, I can assure the respected Member that the Presidency will, with a view to ensuring the best possible preparation of the October meeting, take all steps likely to contribute to the progress of the discussions, including contacts with the Member States concerned and with the Commission.

Mrs Ewing. — I wonder if the President-in-Office will publish the interim measures for our satisfaction ? I am sure he will.

Can he give us a clue as to how the Council is approaching the problem — whether by licences, by quotas, by coastal State preferences ? And could he tell us whether the Council have considered the problems that are going to arise after enlargement when the Spanish fleet wishes to go to the North Sea ? Has that been on the agenda, would he specifically tell me, and will it be on the next agenda ?

Mr Andrews. — To take the last part of the question first, the answer to that is yes.

To deal with the first part of the question last, the answer to that is that the interim measures, with respect to the Member, are contained in the Official Journal.

Mr Kavanagh. — Will exclusive conservation fishery limits for Member States form part of the negotiations, or have they created some of the problems which the President-in-Office mentioned in his reply concerning the next Council meeting of fishery ministers ?

Mr Andrews. — I think Mr Kavanagh would appreciate that it would be wrong of the President-in-Office

to anticipate the deliberations of the Council at the end of October. Under the circumstances, I really cannot give any satisfactory answer to the respected Member's question.

Mr Kirk. — (DK) Does the President of the Council regard it as satisfactory that the Council has been making do with interim measures in the Community fisheries sector for three years ? On 1 October 1976 the Council decided to extend the fishing limits as of 1 January 1977 and since then we have been continuing with interim measures — covering a single month at a time over the last half year — from one Council meeting to the next. I should therefore like to ask what the Council intends to do to safeguard the interests of Community fishermen who are currently having to contend with discriminatory national measures and are prevented from carrying out their trade ?

Mr Andrews. — I agree entirely with much of what the respected Member has said. Interim measures are not satisfactory, as he has pointed out, but we must try to make these measures work as equitably, usefully, efficiently, satisfactorily as possible in the circumstances until such time as the problem itself is finally resolved. And I would like to assure the respected Member that in the circumstances I shall be glad to take note of what he has said and bring it to the attention of the President-in-Office.

President. — We proceed with the questions addressed to the Foreign Ministers of the nine Member States of the European Community meeting in political cooperation.

I call Question No 67, by Mrs Ewing :

Will the Foreign Ministers acting in Cooperation take immediate steps to bind the Community to increase the scope of its Community food aid programme and to assist those countries coping with large numbers of Vietnamese, Chinese and Cambodian refugees, as some camps are short of food with consequent human suffering, and will they also consider a Community plan for the increased reception of refugees by each Member State to an extent commensurate with the size, population and wealth of the Community ?

Mr Andrews, President-in-Office of the Foreign Ministers. — I would refer the honourable Member to the reply which I shall be giving to Oral Question No 0-23/79. This reply indicates that Community food aid to the refugees has been increased considerably. The admission of refugees is not a matter that would normally be organized on a Community basis but is the responsibility of each individual Member State. The efforts already undertaken by the nine Member States of the Community are described in some detail in the reply to Oral Question No 0-23/79, as I have already indicated.

Mrs Ewing. — I find the answer disappointing, because there are few things that serve better to unite all citizens of all the Member States than their concern over the plight of these people, and I wonder how the Council can brush aside the matter and say that no common programme will be undertaken. This is the very kind of thing that would make the citizens of Europe feel there was a point to this whole exercise. If the Council were prepared to say, 'We think every Member State's quota should be such-and-such a number of these refugees', that is the kind of practical programme that would appeal. Frankly, I find it disappointing, and I wonder what is the point of having Foreign Ministers meeting in cooperation if at the end of the day they just brush this thing under the carpet and say it is the problem of the Member States. I am disappointed in the answer.

Mr Andrews. — I can fully understand the respected Member's dissatisfaction at the reply I gave, and I should like to assure her that that reply is less than fulsome; but when I am replying later on in the evening she will have a more satisfactory reply to the question, so I am not in any way trying to abandon the principles enshrined in the question she asked. I should be only too delighted to give her the information — and *will* give her the information without any doubt whatever. So I am not trying to escape or avoid anything on behalf of anybody or anything.

Mrs Dienesch. — (*F*) I think I should draw the attention of the Minister to financial aid. We have decided that one million EUA should be channelled to these refugees via the Office of the United Nations High Commissioner for Refugees. You have informed us, however, that this aid could only be granted after months of debate and certainly not before March. But what about the urgency of this matter?

Could not the Commission consider the idea of bypassing in future the Office of the High Commissioner, which involves a very slow procedure, and contacting the international organizations directly or granting direct aid to countries who wish to receive refugees but have not the necessary means?

Mr Andrews. — I should like to assure the respected Member that I am replying on behalf of the Foreign Ministers meeting in political cooperation and not otherwise, and I should like to assure her that the same situation in relation to Mrs Ewing would apply to her. I shall be giving a very fulsome and wholesome and, I think, worthy reply to the concern expressed by the two respected lady Members.

President. — Since its author is absent, Question No 68 will receive a written reply.¹

Since some of the time allocated for Question Time still remains, we return to the questions addressed to the Council.

I call Question No 59 by Mr Berkhouwer:

When will the passport union decided on at the end of 1974 finally come into being?

Mr Andrews, President-in-Office of the Foreign Ministers. — The first stage towards the passport union concerns the establishment of a passport of uniform appearance. As Mr Bernard Raymond said on this subject at the May part-session of the European Parliament, each successive presidency of the Council has increased its endeavours and soundings to free the passport-union question from its current deadlock. However, despite these endeavours and soundings, no progress has to date been made. This is because the apparently minor unresolved questions raise more fundamental questions which it has not been possible to settle. It is for these reasons that I find myself no more able than my predecessor to give you any precise information on the date when a passport of uniform appearance might be introduced.

The second stage towards passport union concerns the abolition of frontier controls within the Community. This, of course, is a long-term objective, and the respected Member is certainly aware of the major difficulties which must be overcome to attain this goal.

Mr Berkhouwer. — (*NL*) Mr President-in-Office of the Council, do you not yourself admit that your answer is almost scandalously inadequate? After all, it was decided at the Paris Summit of 1974 — which was also the occasion when Mr Tindemans was given the task of drawing up his famous report — to give some indication that something was going to be done for the ordinary people of Europe. The intention was to introduce a sort of Community document — as I had recommended to President Giscard D'Estaing in October 1974. Thus what was originally intended was a simple document with which everyone could travel around the Community. However, this idea became distorted into the idea of a passport union which was decided on almost five years ago.

So far nothing has come of this, since the initiative which was supposed to have meant something to the European man in the street has got bogged down in the national bureaucracies as a result of quibbling on the questions of whether the cover should be made of paper, cotton or linen or how many pages the document should have and how many languages should be used.

We all say, including Mr Tindemans in his report, that we must do something for the European citizen, for a European citizenship. Does not the President of the Council therefore agree that it is high time that

¹ See Annex, p. 205.

Berkhouwer

something actually happened? I shall continue to insist on this point. Until I breathe my last I shall continue to return to this subject every six months and I hope that before the end of his term of office the President of the Council will give me a better answer than he has given me today. May I ask him whether he will do all he can with a view to being able to give me a better answer in December?

(Applause from certain quarters)

Mr Andrews. — I am as disappointed as Mr Berkhouwer is in relation to the reply to the question, and I am not in any way preventing the respected Member from continuing to put this question to the end of his mandate. As he suggests, I must hang my head and admit lack of progress on the substance of the question, and, again as he suggests, where there is a will there is a way and we must try, try and try again. But I am quite satisfied that he is fully aware of the situation where progress is slow, where a number of Member States unfortunately and unhappily — and I do not say this by way of any deep criticism of them — cannot accommodate their views to those of the whole. While progress towards the introduction of the passport of uniform appearance does not seem possible for the moment for the reasons which I have indicated in my reply, Members may wish to be made aware of the work which is under way on other measures designed to bring the reality of the Community closer to the citizens of its Member States.

1. A draft directive on the right of residence for all Community citizens not covered by existing Community legislation in this area has been sent to your institution and to the Economic and Social Committee for their views, and when these views are available the Council will get down to work on the matter.

2. The question of voting rights in local elections for what might be called 'Community foreigners' is under active consideration, but in the Council framework.

While that does not take care of the question posed by the respected Member, nevertheless it does show a willingness in regard to a number of other items. I will certainly take deep and conscious note of what Mr Berkhouwer has said in this regard, and I repeat that the answer I gave — I agree with him and sympathize with him — is not satisfactory.

Mr Simpson. — Can the President-in-Office please confirm my understanding that the Council working-group, after heroic labours, has reached conclusions on the weighty matters of the colour of the cover and the number of pages, but apparently is totally unable to agree on whether the name of the Member State or the words 'European Community' shall come first, or indeed on the language it shall be in? Can he also please tell me what is the real reason for the delay, apart from a lack of political will?

Mr Andrews. — The respected Member has put his finger on the situation.

(Loud laughter)

Mr Ryan. — Is the Minister aware that Members of this Parliament who have voted repeatedly to have a European passport have heard with alarm today that the most the Ministers have yet achieved is consideration of a totally useless thing — a common appearance for this passport? As though that mattered! Would the Council not accept that we are citizens of one Community, and that as such we ought to have without let or hindrance a right to pass and repass from one end of the Community to the other without satisfying paranoid security authorities with the production of a piece of paper and a photograph that any criminally inclined person could easily forge, and that it is high time that the ordinary mass of peaceful citizens in this Community should have the right of passing and repassing without the frustration of having to submit themselves to inspection of their papers by security authorities who will never, never surrender their authority unless and until their political masters insist that they do so? And while we are all anxious to relieve the unemployment system in Europe, I do think it is carrying the employment creation programme a bit too far to insist that millions of people in Europe have to halt as they pass and repass from one end of the Community to the other in order to satisfy the paranoia of security authorities in different countries.

(Applause from certain quarters on the right)

Mr Andrews. — I am grateful indeed to the Member for his statement arising out of the question. And I agree with the view he expressed, that in the context of the Common Market we should be able to, as he describes it, freely pass and repass without let or hindrance. However, we are living in unusual times and unfortunately, whilst idealism is an acceptable thing, it sometimes cannot be realized. Ideally we should be able to pass and repass; realistically, however, the exigencies of this particular point in history demand that security considerations must be taken into account. Under that particular heading, 'security', I think I shall have to let the matter rest and leave the Member to contemplate further.

Mr Schmid. — *(D)* Various speakers have already hinted at the nature of the difficulties and the President of the Council has been very diplomatic in not contradicting them. However, I should like to follow this point up once more and ask the President-in-Office whether he can give us a run-down of the specific practical details standing in the way of the introduction of a common passport.

Mr Andrews. — No, I think the first answer answers the first question. I did not deliberately contradict what they said. I agreed with what they said and I still agree with what they said. In case the Member does not understand what I was speaking about — with the greatest of respect to him — I do agree. I appreciate that the situation arising out of the original question put to me by Mr Berkhouwer is unsatisfactory.

In relation to the second question, the matter of the difficulties arising in the particular deliberations, I am bound by the confidentiality of the position not to give that particular information.

Mr Bangemann. — (D) Mr President-in-Office of the Council, do you not agree that we are discussing a political problem and that for this reason confidentiality of this kind is totally inappropriate, since if we put a question here it is for you to give a specific answer. Would you therefore explain, what objections have been raised by which Member States to impede progress on this question of the common passport?
(Applause)

Mr Andrews. — To answer the last question first, the respected Member is aware that the proceedings of Council are confidential, so that, having regard to the constraints placed on me by the confidential nature of this particular aspect of his question, I simply cannot answer it.

To the first part of his question, the answer is, quite simply, yes. It is the political will that is lacking. That appears to be the answer. Political will does appear to be lacking.

President. — Since its author is absent Question No 61 will receive a written reply.

I call Ms Clwyd on a point of order.

Ms Clwyd. — Madam President, on a point of order: Mr O'Leary was unaware that you were going to come back to the Council for answers to questions. He was sitting next to me here, and because you jumped to the Foreign Ministers, he thought you had finished with these questions for the day. Can we have a ruling on this, please? do we jump backwards and forwards, or do we have a specific order?

President. — I call Question No 62, by Mr Battersby:

What are the Council's views on the outcome of the Commission's recent negotiations in Peking for the implementation of the Community's Trade Agreement with China?

Mr Andrews, President-in-Office of the Council. — The Council considers that the outcome of the first meeting of the Joint Committee set up at the EEC/China trade agreement, which was held in Peking last July, can be judged as very positive. Apart from the

initialling of the textiles agreement which took place at the same time, each party was able to announce a number of other practical measures at the meeting of the Joint Committee. On the Community side I would emphasize particularly the inclusion of China in the 1980 generalized preferences scheme and a number of liberalization measures. The Chinese authorities for their part announced that instructions had been issued to the relevant ministries and to import bodies that offers by Community undertakings must be treated sympathetically in compliance with the 'favourable consideration' clause contained in the agreement. Apart from these immediate practical results, the main impression left by this first meeting of the Joint Committee was the organic permanent contact which has now been established between the Community and China, an important partner for the future which, as was confirmed in Peking, attaches very special importance to relations with the Community.

Mr Battersby. — I would like to thank Mr Andrews for such a positive and encouraging reply. In view of the importance of energy and raw materials to both China and the Community's industrial performance would the Council spell out its attitude, to the establishment of working parties to explore China's and the Community's joint interest in these matters, starting perhaps with tungsten where discussions with China seem stalemated? Tungsten is an essential material for all our high technology industries, and fair prices for tungsten and other Chinese raw materials will give China the capability of purchasing products of high added value from Community firms.

Mr Andrews. — As I made clear in my reply the Joint Committee has held its first meeting, and I have no doubt that organic permanent contact will, as I have already stated, be further developed.

Mr Welsh. — Would the President-in-Office of the Council agree that organic contact notwithstanding one construction that we could put on the recent trade talks with China is that we are importing goods from China which we do not want, to enable them to pay for goods which they wish to buy from us and does he not consider that this is an unwarranted political interference with a very carefully constructed economic policy?

Mr Andrews. — I am not a businessman myself, but I certainly doubt if hardnosed businessmen do business on any other basis than that of making a profit.

Mr Maher. — Would the President-in-Office perhaps inform the House in the context of trade negotiations with China whether, in fact, knowing that we have a bit too much dairy produce within the European Community which we are not consuming at

Maher

the moment, exports of dairy products from the Community to China played any part in these negotiations?

Mr Andrews. — I understand that the negotiations concern all products and not just one particular product. I think that Mr Maher will appreciate that that matter would certainly come under the general discussion. This is pure surmise on my part, because I am not privy to the particular negotiations.

President. — The second part of Question Time is closed.

I call Mr Glinne on a point of order.

Mr Glinne. — (*F*) Madam President, I have no wish to add to the difficulties facing the Presidency, of which I am perfectly aware, nor to cast aspersions on the quality of the service provided by the interpreters. However, the Bureau of my group was to have met at 5.30 to prepare a meeting of the largest political group in this Parliament. However, this will not be possible since no interpretation is available.

Nevertheless, I see that the interpretation service has a meeting of Non-attached Members listed. I have nothing against the non-attached Members, but I see that four of them will be using the services of four interpreters for an hour and a half and a study group on regional and frontier questions organized by a Member of Parliament is monopolizing a interpretation service in six languages for the same period. In addition, there is a meeting of a study group on small and medium-sized undertakings which will also be using six languages simultaneously. We should, I think, give some thought to priorities in the use made of the interpretation services. It is incredible that the work of the largest group in this Parliament, which has 112 members, should be held up because no interpreters are currently available.

President. — The question you have just raised is an important one which has also been brought up by the interpreters themselves who regret being sometimes obliged to refuse their services.

I was intending to approach the Bureau on this matter tomorrow with a view to seeing how we could coordinate the organization of these groups. Clearly, there is a limit to the number of small groups which can be organized. The Bureau will have to see to it that small groups are not allowed to proliferate and perhaps introduce rules concerning meetings. If Members of Parliament are able to meet without interpreters they can do so whenever they like. However, as soon as they need the assistance of interpreters, they cannot simply go on holding more and more meetings. We are already overtaxing our interpreters in a position to fulfil. Their job is very tiring and we cannot ask them to spend their normal meal times or rest periods

working for a group which has just been set up out of the blue.

For the time being, I will see whether or not it is possible to organize some interpretation for your group. For the rest, since there are only four days of plenary session this week, we must avoid too many further meetings being held during the sittings.

We shall now examine the motion for a resolution (Doc. 1-349/79) on the number of quaestors.

10. *Agenda*

President. — I call Mr de la Malène on a point of order.

Mr de la Malène. — (*F*) Madam President, I am quite taken aback by what you have just said. You told us a moment ago when the proceedings were resumed that after Question Time we would continue the energy debate after which there would be a vote on the number of quaestors. I was a little surprised at this, since it is not what had been decided by the Bureau, but I heard it and noted it.

Now you are saying that the question of quaestors will be dealt with before the end of the energy debate. But the Members of my group have arranged to be here in a little while but not now! I should like you to keep to the order on which we voted a moment ago: the energy debate first, then the quaestors.

President. — Mr de la Malène, my recollection of things was the same as yours, but I have just been given a document in which the order is different.

Mr de la Malène. — Madam President, I would not like my honesty to be doubted!

President. — Mr de la Malène, I am not doubting your honesty. My recollection is the same as yours. An error seems to have slipped into the minutes.

I call Mr Bangemann.

Mr Bangeman. — (*D*) Madam President, you are quite right, and the accusation that has just been made by Mr de la Malène misses the point of what we agreed earlier. There was in fact a change, but it was obviously not the same as had been agreed on previously. But Mr de la Malène has no need to worry, since my information is that there is no longer any serious dispute between the groups on this question. Perhaps it would be helpful if the Christian-Democratic Group, which tabled one of the two motions, were to explain its position. If it becomes clear from this explanation, Madam President, that there are no longer any serious differences of opinion on this question, we can deal with it very quickly, hold a vote and then go on to discuss energy.

President. — I call Mr Klepsch.

Mr Klepsch. — *(D)* Madame President, the only reason we have discussed this question is that there are two different motions before the House — that tabled by my group seeking to elect four quaestors, and that tabled by the European Democratic Group seeking to elect five quaestors. My group had intended to adopt a mediating position between the Socialist Group, which always wanted only three quaestors, and others, who wanted five. Now that we have heard that the Socialist Group has today decided to support the request for five quaestors, I think the best thing would be — and I have just obtained authorization from the Bureau of my group — for me to withdraw our motion for the election of four quaestors, thereby avoiding the need for a procedural debate. We are thus left with only one motion, which I see can be supported by all the groups in Parliament, namely to elect five quaestors. I wanted to point this out to you, Madam President.

On the other hand, I should like to state, Mr de la Malène, that I do not agree with the view that a vote can be held at any time. Voting time is now, I see no problem at all in holding the votes which are scheduled. If I say at any time. Mr de la Malène will be as unable as any other Member in the House to tell me when that will be after we have first had all the speeches on energy. No one in this House knows how long it will take. As far as I know, there are still 15 speakers listed; being very sceptical, I would say that it will take a great deal longer than Mr de la Malène would have us believe. I would leave things as they are; everyone has received a copy of the agenda, which states that 4.30 p.m. is voting time or that voting will be held at the end of Question Time; and that is now.

(Scattered applause from the right)

President. — I call Mr de la Malène.

Mr de la Malène. — *(F)* Madam President, I am not one of those who dig their heels in on procedure. I am perfectly satisfied if everyone agrees. However, if there had been a debate, I would have asked the House to keep to the agenda, which would have enabled everyone to be present. But I am very glad to support the proposals by Mr Bangemann and Mr Klepsch and withdraw my remark.

President. — I admit, Mr de la Malène, that there is a certain contradiction between what was announced during the sitting and what is printed on the amended agenda. But it seems to me that everyone is now agreed.

I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Madam President, in the light of the speech we have just heard from Mr Klepsch as leader of the European People's Party, there is no

need for me to make a speech on my proposal. Therefore, I formally bid to move the motion standing in the name of myself and my group.

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — There is no need for any more comment, Madam President; I think we ought to go directly to the vote.

11. Rule 7A of the Rules of Procedure *(debate and vote)*

President. — The next item is the motion for a resolution (Doc. 1-349/79), tabled by Mr Scott-Hopkins on behalf of the European Democratic Group, on Rule 7 A of the Rules of Procedure.

I call Mr Glinne.

Mr Glinne. — *(F)* Madam President, there were two lines of action open to us on this question: either we could consider that the office of quaestor should have a strictly technical function and thus be satisfied with the choice of three Members of Parliament, or we could consider that we should attribute some political significance to the office of quaestor, together with a certain representative role with regard to the largest groups in this Parliament.

We thought initially that the technical interpretation might predominate, and this was the basis of an amendment which we tabled yesterday but which was not adopted by Parliament. Therefore, noting that Parliament wants a larger number of quaestors, we considered, for our part, that it would be better to increase the number directly to five, since this makes it possible to take account in decreasing order of size of all the broad political groupings represented in Parliament. These are, in order of size, the Socialist Group, the Group of the European People's Party, the Group of European Progressive Democrats, the Communist and Allies Group and the Liberal and Democratic Group.

President. — I call Mr de Goede.

Mr de Goede. — *(NL)* Madam President, I am increasingly amazed at what is going on here. I have just heard Mr Klepsch saying that he is withdrawing the motion for a resolution seeking to appoint four quaestors, which he tabled this morning.

Yesterday we had a debate on the Luster report, which also concerned the number of quaestors. We decided then that there should be at least three. I would point out once again that yesterday nobody brought forward a single argument for having quaestors at all, leave alone how many. Nor is it being stated now — either in Mr Klepsch's justification or in the document advocating five quaestors — what the actual reasoning

de Goede

behind it is; it is absolutely incredible that the argument put forward is that it is based on Rule 7A of the Rules of Procedure. That is no justification, it simply follows from the possibilities created by yesterday's decision on the Rules of Procedure.

So Mr Klepsch is withdrawing his proposal. Mr Glinne is calling for five quaestors, but so far we have not heard a single straightforward answer telling us what they are going to do, what sort of mandate they will have, what their relationship with the Bureau or with the vice-chairmen and chairmen will be. I really find that the quality of decision-making is getting worse every day and that Mr Klepsch's decision calls for an explanation of why now there suddenly have to be five quaestors instead of four. Mr Glinne may well say that this has to do with the political representation of the Member States in the Bureau. I would point out that yesterday Mr Nyborg, as chairman of the committee, already admitted that this method is not suitable for the purpose. Indeed, the quaestors have no voting rights — they are allowed to be present and to speak, but they are not allowed to vote. If this is the way you intend to cater for the right of the Member States to participate in decision-making in the Bureau, it amounts in my view to a disregard of that very right.

President. — I call Mr Klepsch.

Mr Klepsch. — *(D)* Madam President, I assume we are now discussing the remaining proposal, which has been tabled by Mr Scott-Hopkins. I should like to make three points. What has just been said is another attempt to revive the argument on decisions already taken by Parliament. Yesterday we adopted the Luster report, and the last speaker made ample use of the opportunity to put forward his views. There is no reason whatsoever for returning to the decision which was adopted yesterday. That decision was that there were to be three or more quaestors, as provided for in the Luster report; it was expressly stated that proposals for the number of quaestors and nominations were to be put forward yesterday. The situation this morning was that there were two different motions. Anyone who tables a motion is free to withdraw it. If the Bureau of my group has asked me to withdraw the motion, it should not worry Mr de Goede in the least, since he himself has not tabled a motion at all. The fact that we are now left with Mr Scott-Hopkins' motion for five quaestors is in my view a very positive reflection of the agreement between the various political groups in Parliament, since what is the point of spending hours discussing such a peripheral question?

Also I cannot accept that the question is raised again as to whether we should not have included in the Rules of Procedure a reference to the quaestors'

mandate. We decided yesterday not to do this, and no one submitted anything else to the vote. I would therefore ask you, Madam President, not to allow such totally irrelevant contributions as the last one. Everyone can now say whether he is for or against Mr Scott-Hopkins' motion and state his reasons, but the suggestion that we should now repeat yesterday's debate seems to me quite incredible.

(Applause)

President. — Since no one else wishes to speak, I put the motion for a resolution to the vote.

The resolution is adopted.¹

I call Mr Paisley on a point of order.

Mr Paisley. — Madam President, I wonder, could you rule on the suggestion that was made that these five quaestors to be appointed will only come from the big battalions? Should not one of them come from the non-attached Members?

And if the non-attached Members cannot agree on who should represent them, then this Assembly could agree to the appointment of one of them, as their facilities in this Assembly should be safeguarded.

(Applause from certain quarters)

President. — Mr Paisley, you were supposed to speak on a point of order.

12. Energy problems (resumption)

President. — The next item is the continuation of the debate on energy problems.

I call Mr Johnson.

Mr Johnson. — Madam President, we have been talking today amongst other things about the Community's dependence on oil. How, can we do so sensibly if we are not prepared to talk about motor vehicles in general and the motorcar in particular? Honourable Members who leave this Chamber as I speak — and there will be many of them — will find a fleet of vehicles at their disposal organized by the efficient services of the Parliament. All of these vehicles are propelled by internal combustion engines; all of them use oil and petrol. Fleets of motor vehicles, cars and trucks, all consuming petroleum products, are involved in ferrying the staff of this Parliament and all its impedimenta from Luxembourg to Strasbourg, to Brussels, and back to Luxembourg. My point, Madam President, is this: we debate the Community's dependence upon oil, yet even in our own daily affairs we are unable to come to terms with the radical shift that is required in patterns of transport. Well over a quarter of all the oil which is used in the Community is devoted to transport, and the proportion is growing.

¹ OJ C 266 of 22. 10. 1979.

Johnson

Now in my view the internal combustion engine is as obsolete as the dodo. The surest way of wasting a scarce resource is to put it into the tank of a Mercedes and to drive it at 180 kilometres an hour down a German autobahn.

Mobility, Madam President, is not an end in itself.

The first question we should ask ourselves — and I mean no disrespect to Members of this Assembly — is: 'Is our journey really necessary?' And the second question is: 'What mode of transport should we prefer?' I believe that a long-term strategy to reduce the Community's dependence on oil should include the following elements:

- 1) the carriage of freight wherever possible by rail instead of by road. This will involve some change in the Community's transport and regional policies;
- 2) a preference for collective, as opposed to individual, means of transport. I exempt, of course, here the bicycle and that old-fashioned favourite walking;
- 3) where it is absolutely necessary to retain the individual motor vehicle, I believe we should aim at the electric rather than at the internal combustion engine.

I would like to see far more Community research funds going towards the development of an efficient electrical vehicle. Why should we wait for the Americans to achieve a breakthrough with a new light-weight battery? Why do we not take the lead ourselves this side of the Atlantic? In this connection, I would recall the most effective speech which the President of the Commission made almost a year ago on the subject of the electric vehicle.

The performance of such a vehicle may, of course, not be as glamorous as your Mercedes or Lancia or Mini or even the Honda, about which we have heard this afternoon. Fleets of electric vehicles can, however, be fuelled from base-load electricity. That electricity can be generated from coal-fired plants from nuclear plants. Either way they will be an important saving in oil consumption.

Fundamentally, I am talking about a major change in attitudes. We have to adjust ourselves to new realities. We should not adjust ourselves to new realities. We should not talk any more about a revolution of rising expectations, we should be talking about declining expectations. Conservation, whether it be in transport, industry or agriculture, has to become a way of life. On our side of the House. Mr President, we are not called conservatives for nothing.

IN THE CHAIR: MR ZAGARI

Vice-President

President. — I call Mr Schmid.

Mr Schmid. — (D) Mr President, this morning the Council and Commission representatives made only fleeting references to the possibility of saving energy, for reasons which I fail to grasp. We must surely be aware that there are enormous possibilities open to us in this area. I should like to quote a few figures provided by the Energy Commissioner, Mr Brunner. He can certainly not be suspected of belonging to a conservationist group, and so these figures are acceptable to all sides of the House. He says that we can save 15 % of the energy expended on transport, 15 % in industry — in several sectors up to 50 % — and achieve domestic energy savings of up to 25 %. What is important, however, is that energy conservation does not necessarily imply reduced consumption; in fact, many of the proposals mentioned by the Commissioner are based on the view that energy is at present being used irrationally or squandered. But there is ample opportunity to use energy more rationally: there is no lack of rational thinkers in the Community, but what I feel we do lack is determination.

This morning the Council representative failed to clarify why the targets set by the Council of Energy Ministers at its meeting in Strasbourg have not — as we now know — been reached. It was stated several times this morning that this was due to the harsh winter. This cannot be the case, since the Council made its energy forecasts in July, when Winter was already behind us. We are therefore forced to conclude that we simply lack the will to conserve energy.

I should like to add a second comment, since the debate concerned our dependence on oil. I feel that this issue should be viewed in a broader context. For example, the Community will in future be dependent not only on oil but also on uranium imports. Those who believe that we can solve the oil problem by turning to nuclear power should realize that we shall only be creating new needs — simply replacing one dependence with another. That is all we shall achieve, for we shall not become less dependent on imports. Moreover, our uranium suppliers include certain politically unstable countries, e.g. in Africa.

Our debates on energy policy are normally concerned merely with the resources available to us. We seldom mention the fact that there are other forms of dependence on imports, namely economic dependence on those who buy oil from OPEC states and sell it to us. I am referring to the multi-national oil companies. Furthermore, when discussing energy we should not forget that the oil companies have made European consumers pay very dearly for their oil in recent months.

I would point out to those who do not favour the consumer's point of view, because they represent other interests, that we in this House ought to

Schmid

consider very carefully the possibility that large sectors of our industry may be caught in a stranglehold by a tiny minority, namely the multi-national oil companies. I just wanted to add these comments to today's debate.

President. — I call Mr Moreland.

Mr Moreland. — Mr President, ladies and gentlemen, I wanted to devote most of my few remarks to the coal industry, but I must say first of all that a number of comments have been made in this Chamber, primarily from the Left, about nuclear energy, about which I am somewhat worried. I think we have to realize that, whatever the situation as regards coal or oil, we are going to need an increase in our nuclear energy capacity. Indeed, I would suggest by the end of this century our children and grandchildren will be blaming us for a shortage of energy unless over that period of time we expand our nuclear energy resources.

I was particularly concerned earlier in the debate by Mr Gallagher's suggestion that nuclear energy development might take jobs away. I do not accept that, and surely if we are going to be short of energy by the end of the century because we have not developed nuclear energy, we are just not going to have the jobs. And I suggest that it is our duty, particularly those of us who represent a considerable number of workers in the mining industry, to explain to them that coal mining and nuclear energy are compatible, and indeed there can be an expansion of both.

Having said that, Mr President, I would like to go on to the subject of coal. I did, I must say, accept one comment of Mr Gallagher regarding the import of coal from certain undesirable sources. I must say that I regard with some suspicion the import of coal from South Africa. It seems to me to be a contradiction in terms that we should be banning their rugby players and yet accepting their coal. There is an inconsistency here, and I would also couple with that the imports that we are having from behind the Iron Curtain, which again I am very suspicious of. But we will have to import throughout the rest of this century. I do not believe that the Community should follow a protectionist energy policy. It would be totally unfair on those countries which do not have energy resources to make them buy from a country that is energy-rich and frankly to some extent rather expensively energy-rich, like my own. It would be harmful to manufacturing in Italy and to some of the newer Member States of the Community which do not have coal resources. Our approach must not be through protection. It must be through development and stimulation of our coal industry, and in this respect I must say that I support the Commission proposals to develop more coalburning power stations and, indeed, to develop our coal reserves.

Let us not forget that the coal reserves of the future the ones to be developed in Europe, contain

extremely good coal which will lead to high productivity in the mining industry. We seem to be concentrating particularly in my own country on keeping in existence mines with low productivity rather than concentrating on developing new mines which have considerable potential. And I would suggest to the Commission and the Council that action is needed urgently because there are going to be many obstacles in the way. I mention, for example, the need to satisfy those who are concerned about the environment in the areas of the mines; geological and technical difficulties, training difficulties and so forth. But let us get down to this business straight away. I would like to see a greater share of our budget devoted to developing our mining resources. As a first suggestion could I put that we should be granting to the various coal industries of the Community low-interest loans to enable them to offset the high capital cost of our mining industry. As I said at the beginning, unless we take this sort of action, our children and our grandchildren will be blaming us in twenty to thirty years' time. Some of you may not be here in twenty or thirty years' time to take that blame. I must say that I hope that I will be here in twenty to thirty years' time, but I do not want to find myself receiving acrimony because our Community did not take proper action at this point in time.

President. — I call Mr Lalor.

Mr Lalor. — Mr President, today's debate offers us an opportunity to examine the use of coal in our overall energy programme.

Firstly, I would like to refer to the progress in arriving at a common energy policy in the Community. While the coal and nuclear sectors were covered by the ECSC and the Euratom Treaties, there is no mention of energy as such in the Treaty of Rome. Indeed, as oil was plentiful and and cheap, there was no real debate on, or effort to face this problem area until the energy crisis of 73/74. We are all well aware of the effects of that crisis on the economies of our Member States; increased inflation, slowing down of the growth rates and the dramatic increase in unemployment. Subsequently the Community broached the problem and agreed on certain conservation measures. This in effect was as far as the Member States were prepared to go. To any neutral observer this attitude must have seemed somewhat foolhardy. The recent upheaval in Iran has again demonstrated the inadequacy of Community measures up to now.

The conclusions of the Strasbourg European Council and Tokyo Economic Summit give us all a certain encouragement, and I hope that the adoption of a system of oil import registration and of national oil targets will be just the initial steps in achieving an overall common energy policy. The coordination and convergence of national policies, the adoption of rules on the maintenance of oil stocks and the surveillance of the oil market are certainly the first steps towards a common European energy policy.

Lalor

However, inevitably, some of our Member States are reluctant in the short-term at least to agree on a Community approach. They, perhaps shortsightedly, see their advantage in developing on a bilateral basis the special relationships they already have with the oil-producing countries. There must be a common approach vis-à-vis third countries whether they are oil-producing or consuming. If we are to achieve a balanced normal relationship with the producing countries across a broad range of economic and political issues it will only be on the basis of a joint united approach. In this regard I would like to welcome the initiatives that the Nine have taken with the Gulf States, and I would like to wish the President of the Energy Council, Mr O'Malley, every success in his efforts to establish a mutually beneficial dialogue between the Gulf States and the EEC. These discussions will not only have to deal with energy supply and demand but also with the broad area of economic cooperation between the Community and the countries involved. A Community energy policy must not only ensure a reduction in our dependence on oil but also contribute towards financing, renovation and exploration, harmonizing and rationalizing the refining capacities of the Member States. Undoubtedly this will be a slow process, but the Community must seek through a process of financial aid and coordination between the Member States themselves to set in motion a policy that will allow the Member States to become self-sufficient or at least reduce dependence on imported energy down to 30 %.

Undoubtedly coal, along with nuclear power and gas, will play a major role in diversifying away from oil. Coal in particular has become economical due to the recent upsurge in energy prices. The Commission put forward proposals some time ago to increase the use of coal in the Member States. Undoubtedly coal would go a long way towards generating the electricity required in our Member States. I think a Community policy on coal must take account of the diversity of coal production and the fact that some Member States purchase coal cheaply from third countries. The Community should subsidize the consumption of coal in power stations and endeavour to coordinate national coal production policies in the Community and national policies on coal imports from the Third World.

Finally, let me say, Mr President, that in Ireland we have what was considered up to now to be small, uneconomic deposits of coal. In view of the urgency of the requirements, the Community should take immediate steps to make a comprehensive survey of Ireland's coal fields or financially assist in such a project and so enable valuable potential energy supplies in my constituency of South Leinster to be fully utilized. This would further reduce our dependence on imported energy. I might in fact also point out that similar deposits may exist in the Munster, Connaught and Ulster constituencies where there are

existing mines all of which deserve to be developed urgently. I fully recommend that type of procedure to the Council and in fact to the Commission.

President. — I call Mr Capanna.

Mr Capanna. — (I) Mr President, I, too, am of the opinion that it is significant that the new Parliament's first debate on energy matters, which took place this morning, should have been particularly and specifically centred on coal.

The European 'man in the street' is well aware of the truth of what the Commission has finally had to admit to the Committee on Energy and Research, that is to say, that the cost of extracting coal from deep within the bowels of the earth in the four main coal-mining countries in the Community is much greater than the cost of importing coal, not from South Africa, but, for example, from countries nearer home, such as Poland, or from other European countries which are not members of the EEC.

Attempts have been made to justify a more rapid increase in the use of coal with an argument which is not lacking in subtlety. People have said: let's increase the use of coal in order to import less oil. But the real alternative is not between coal and oil, but between Community coal and non-Community coal. If this difference is not grasped, none of us will be able — because it cannot be done — to convince the average European that using Community coal at higher prices than non-Community coal is a wise course of action. In fact, it could also be argued — but note that this is the logic of capitalism, which, if I am not mistaken, is accepted by most people in this Chamber — that not making use, today, of Community coal will help to increase its value in the future. However, this sort of argument leads directly to an inescapable conclusion: that is to say, that a choice of this sort, even when looked at from various points of view — this morning's debate, the abrupt adjustments made in the budget resources in favour of coal — serves the interests of certain by no means anonymous coal tycoons within the Community. What is more, this is all taking place against the background of an undisguised trade war. Mr Ippolito was absolutely right and I do not think that anyone can refute him, either on grounds of logic or on grounds of awareness of the economic and political realities of this Community. Why, for example, should Italy put up with the considerable expenditure needed to buy Community coal when non-Community coal is much cheaper?

I think that it is extremely short-sighted, from the strategic point of view, to think that punishing one area of the Community will not also have repercussions in the richer, economically stronger zones, and in particular in those situated in the centre and the North. It may be that these repercussions will not be felt immediately, but in the long run it is inevitable that the damage — from the economic, social and, therefore,

Capanna

also political point of view — should make itself felt. There is also short-sightedness in overlooking the fact that coal, in common with oil and uranium, is not a renewable source of energy; the attitude of those, who, as part of this trade war, wish to produce economic and commercial casualties is therefore very disturbing.

It is not possible to go further into these matters properly and seriously in the space of only five minutes; it would, of course, have been better if the debate had been carried out somewhat less unilaterally and on the basis of more complete and more detailed information. For this reason, I think it is indispensable that we should come back and discuss these problems again, taking all the time that they require. Now, however, public opinion must be told clearly: wars fought with weapons are not the only kinds of war — there is also such a thing as a trade war. One has been going on around us for some time now and we in this House run the risk of making it even more lethal by further aggravating the age-old imbalances within the Community.

President. — I call Mrs Ewing.

Mrs Ewing. — Mr President, Scotland and in particular the Highlands and Islands of Scotland, are in the front line of this particular matter — with the exception of coal, because we do not have coal mines there. But I was once an MP for a coal-mining constituency and, therefore, I also am familiar with the problems of the coal industry.

I am pleased at the degree of unanimity in this House on the problems of energy. But there is obviously no overall policy. This is not surprising because, as one who has been an MP in Westminster twice for different parts of Scotland, I know that there was never a United Kingdom energy policy in successive governments. And if one Member State finds it so difficult to decide what balance there should be in their aims and their tonnage per year, their proportion from each source, then no wonder it is difficult here. But I suggest to you all that perhaps it will be easier to get an overall policy for all of us here than for a particular Member State, because certainly in the United Kingdom there was never an overall policy. For example, the Scottish coal industry always wished that there would be an agreement that 12 million tonnes a year would be the minimum guaranteed aim and target. No government ever agreed to that. But the coal industry of Scotland had that possibility. I just mention that as one example of the problem within Member States, and I do suggest that we look at it more globally now and see if we cannot find a better solution.

I was particularly impressed by the speech of Mr Purvis today. I think he put a point that must be dealt with by the Council and the Commission with regard to industrial saving. And he showed technical exper-

tise which I do not have, but I think that must be one of the key points that came out of this debate.

Could I perhaps pass to a slightly more emotive matter which is domestic energy saving, and suggest that we underestimate the appeal that energy saving has to individuals in the street. Here is something everyone can do. They can save energy. Lots of methods are open to them: double-glazing, sensible uses of their homes, etc. But in Wales there is also a centre for alternative uses of energy for domestic purposes. It will never solve all our problems, but it will help. And I would suggest that funds be made available to have a similar centre in Scotland and in many other parts of the Member States, because this makes people realize they too can go a long way to avoid waste. People on the whole do not like waste. This is something the Community could do.

I pass on to the part that relates to the Community's dependence on oil, and touch on nuclear energy, because I must be frank and disclose I have a constituency interest in this matter. I have in my vast Highlands and Islands constituency a nuclear power station. When it was put in the North of Scotland we cynically said: Of course, they wanted to be rid of it, they would not have it in the South of England, so they put it where the population is small. But interestingly enough, the people in this community like it. They live with the danger. They accept it, and they like it. They believe in civil nuclear energy. They accept the moral responsibility of disposing of their own waste. But here I come to a less acceptable thing, I am sure, to many of you. They do not accept any moral responsibility to dispose of anybody else's nuclear waste. I have noticed in the rest of my constituency a totally invincible opposition to any further nuclear energy plants. I am not unique in this, because you must all, I think, be aware of the feeling of many people about nuclear energy development. We have not solved the problem of the disposal of nuclear waste. There is no point in our talking about alternative energy if we mean nuclear energy until we face up to the actual practical problems involved and the feelings of people on this subject. They are not being emotive solely because they have a moral question. We are creating something we cannot safely dispose of yet and I assure you that with my constituency interest I am well briefed. There is no perfectly safe disposal medium, be it the sea, which has been ruled out, be it clay, which happens not to be in Scotland, be it hardrock, which happens to be in the Highlands and Islands, be it salt mines, which we do not have either in Scotland, but which Germany has. Wherever it may be that we try to dispose of it, we have not dealt with the problem openly, and I feel that this is a proper forum where we should face up to the problem and not pretend that it is safe — just as safe as a coal mine — because it can affect future generations.

Ewing

And next, and last, I turn to the very important question of uranium mining. Once again I seem to be in the front line. I wish I were not really, but there is no doubt whatsoever that the fact is that I am in the front line of fire, and uranium mining has contributed to my being here today, to being elected. Because this peaceful people in the Orkney Islands who live by fishing and tourism, and are affected, often adversely, by the oil industry, all say that they cannot live with the possibility of open uranium mining, because that will be the end of their agriculture, the end of their way of live, and the end of tourism. I am appealing to you — I am speaking for these people today — to consider their position. Are you going to say it suits very well to find a nice supply of uranium in the Orkney Islands and, therefore, we do not care about these people.

I have a letter here from Commissioner Brunner which is of interest because he tells me in the letter written to me on 4 September that a grant has been made towards the cost of uranium prospecting in Scotland. It is not only in the Orkneys apparently, it is in other parts of the Highlands and Islands as well. A German firm has been given the contract, but, he says by way of reassurance, he accepts that appropriate permits must be obtained from the *appropriate* authority. My question is — and I've come to the end — will this House, will the Commission and the Council go ahead if the local elected people turn it down and the Member State government in London says, yes carry on, it doesn't matter about the Highlands and Islands; they are expendable? It is a very important moral question, not just for me; there must be many of the Members with a similar problem.

President. — I call Mr Rogers.

Mr Rogers. — Mr President, it is a pleasure to speak in a debate where there is seemingly very little acrimony, or, perhaps a better phrase, not very much difference between the people who have spoken. This makes me wonder whether I ought to speak at all, because I am quite sure that what I am going to say has been said by other people. However, I would particularly like to address my remarks to the Commission and the Council rather than to the general issue.

The fact that there was so little difference between people who have spoken is, I think, because they recognize that the most important problem facing Europe today is the energy problem. When I listened to the replies of the Commission and the Council this morning I wondered at times whether they really understood the issues. Of course, as Mrs Walz said early this morning, you wonder whether they really want to understand the issues. The Council representative found the microphone a little short for him, which leads me to think he might be a rugby player; he certainly seemed to have a good side-step in facing

up to the issues that were put before him. But I must confess that Viscount Davignon is quite obviously the prince of French outside halves on these issues.

You see, some of the matters that were mentioned, such as closing down marginal pits, for instance, are really relevant to the people we represent. Does not anyone in the Commission and the Council realize that when you close down a pit, you actually close down a community? If pits seem marginal — and these are the ones that are to be accepted for closure — it is only that they are marginal in relation to other energy sources.

The main problem of the coal industry — I think Members ought to be aware of this, and I am not sure whether it has been mentioned before — is not the availability of coal or the geological problems that the engineers and miners face in getting it out, but the fact that very soon there are not going to be any skilled miners to extract the coal. If the present policy of closing down marginal pits continues, then the coal industry, certainly in Great Britain, certainly in South Wales and almost surely in Europe, will be in a very difficult situation. We must remember that the investment in new collieries talked about by the Council representative will only have an impact in the medium term, and we really need desperate action now in order to have answers in the energy field in five years' time. The motion before Parliament condemns the Council's and the Commission's inaction and prevarication. But it is also a call for action, and not just a motion sending out warning lights, as was said by a previous speaker.

As far as nuclear energy is concerned, I would just like to say this. In the name of humanity and in the name of unborn children, why nuclear energy? If it is so safe, why do we not have a plant next to this Parliament building? If it is so safe, why do we not build one in the middle of Paris? If it is so safe, why do we not build one in the middle of London? Why not take down the Battersea Power Station and build a nuclear plant? The scientists lie; there is no such thing as safe nuclear energy. The problem, even if it is not on the production side, is in the disposal side, and no one has as yet come up with an effective answer to this. The only possible arguments that can be put forward for promoting nuclear energy in Europe are arguments of short-term expediency, nationalist chauvinism and capitalist profit.

(Applause)

President. — I call Mr Pannella.

Mr Pannella. — *(I)* Mr President, I am in agreement with what Mr Rogers has just said, but I can perhaps provide a reply to his initial question, namely, why did it seem as if there was virtual unanimity among previous speakers on one or two topics? The reply is

Panella

as follows: the dominant political elements in European politics succeeded in setting up fraudulent barriers during the European elections, specifically with respect to the energy questions; thanks to the law of silence respected by all the dominant political groups in Europe, and not just in this Parliament, the choice in favour of nuclear energy had already been made; the matter was decided upon, unequivocally, by Olof Palme in Sweden, and people followed suit pretty well everywhere, at least as regards my camp, that is to say the left-wing camp. On the other hand, in Austria, it was the right-wing which won the battle against the building of a power station.

But the truth is that the 5% barrier was such as to ensure the exclusion from this House of those persons legitimately elected to represent French and German ecological interests. That they were legitimately elected can be seen from the number of votes they obtained. Electoral laws of this sort are mean, vindictive and retaliatory, but the real crime was to exclude anyone who wanted to organize a debate on the question of energy during the election campaign from the media of radio and television, which are firmly in the monopoly control of those in power. A mere two to four minutes air-time was granted to the French ecologists and something like ten or twelve to the Germans. This being so, we should not be surprised that our Parliament is unrepresentative of the hundreds and hundreds of thousands of persons who will begin to take up positions of opposition during the course of this year to the energy choices imposed from above by the industrial-military complex, whose interests evidently lie in this direction, and we shall probably have to wait for the arrival in Europe of a general, like General Eisenhower in America before denouncing the excessive power of the industrial-military complex over the lives of the citizens of our Member States and over contemporary European reality.

We are all aware that recent developments have made coal competitive once again, though perhaps on the premise of changed technology. As the price of a gallon of petrol gradually rises, all those other sources of energy which were too hurriedly dismissed as obsolete become economical once again, even against a background of new techniques. But the real clash happens at a different level altogether: heedless of our idle chatter, in some nuclear power stations the authorities are going ahead with projects for fastbreeder reactors which many scientists - this was confirmed only yesterday by Denis de Rougemont - qualify as criminal, in scientific terms as well as in lay and political terms. But I do not criticize the Commission for this; it would be illiberal of me to do so, Mr President. The Commission is the expression of the political aims which the overwhelming majority, if not the totality, of the Parliament that preceded this one, even though it was not an elected Parliament, set for it. In the old Parliament the various political interests were all more or less in agreement on this matter. It would be too

easy now to resort to the Neapolitan three-card trick in order to attempt to offload responsibility on to the Commission for limitations which, on the contrary, constituted the strengths of the policies of the parties in power in Europe. We hope that what I might call the technical capital, the goodwill, the capability which the Commission has will be used politically to different ends because I personally believe that it is absolutely pointless, mean and stupid to seek out every hesitation and every uncertainty contained in the Commission's answers. I believe that the decision-makers in the Commission do not deserve criticism until there is proof to the contrary, that is to say, until it has been shown that this House has asked in previous documents for *another* policy and that *other* political pressures have been exercised on this Commission.

World hunger, the genocide being carried out at this moment, energy in general and nuclear energy in particular — on all these topics the political interests which are still dominant today in this Parliament and were more or less unanimously dominant in the previous one have set out the aims which are being pursued today. Consequently we hope, Mr President, that an end will be put to the slovenly management of this Assembly, to the disregard for the rules and to the attempts to impose an artificial home-spun common sense on us, because this Parliament is already weakened by the fact that it represents — as we know — distinctly less than 250 million Europeans. We know how many people voted in England and in other countries and it is only thanks to these fraudulent laws, to these political and electoral frauds in the European democracies, that this Parliament has the appearance that it has now.

I repeat, Mr President, if we fight to defend the rights of Members of Parliament, we are not doing it for ourselves — that is too easy for us Mr President — we are doing it for Social Democratic Members, Christian Democratic Members, Conservative Members, whose rights are encroached upon more and more by bureaucratic procedures and whose decisions are more and more delegated to the chairmen of the groups. They are obliged to be silent, whilst we, and de Goede and others are still in some way able to speak.

We must be careful: behind what happened this morning, what happened the day before yesterday, my friends, was not so much a question of defending the rights of the Italian radicals. As you can see, whether we have these Rules or other ones we shall say and do what we must. But where are the voices of the German Young Socialists, the real German Socialist left, where are the other voices in this Assembly? How can the French left-wing radicals and others have their say? Is this to be a real Parliament or an office for recording the wishes of the dominant bureaucracies in the various parties? Europe needs something more than the alibi of electoral laws and direct elections; it needs a Parliament in which the voices that are heard are not those of the party bosses

Pannella

and the group leaders but the voices of the parliamentarians themselves in all their variety.

President. — I call Mr Adam.

Mr Adam. — Mr President I am grateful for the opportunity of taking part in this energy debate this evening, because the present state of the energy policy challenges the whole credibility of this Community. I would like to look very briefly at the three main aspects of the current situation. Firstly, there is the political aim: We say that we want to reduce our dependence on oil, but in the report that has been presented by the Commission, only Denmark and the United Kingdom expect to reduce their total oil imports by 1990. It is true that the percentage of oil as a total energy source in the Community will be going down by 1990, but in absolute terms the amount of oil used will increase. Supplies of oil are not likely to be any more secure than they are now, and that is less secure than they were when the report was written.

Also Commissioner Brunner told the Energy Committee on 11 September the worst fears have been realized six years earlier than had been expected, so that the political will to effect a change is so far missing.

The financial proposals that have been put forward by the Commission to support the coal industry and to support other activities in the whole of the energy sphere have been rejected by the Council, so that the financial will is missing. Thirdly, there is the question of the technical aims. I believe that current exploitation of resources, the likely development of new resources, the amount of money that has been made available is not in harmony with our requirements. I believe this is because the people who are making the decisions are still holding to the naive belief that, somehow or other, the nuclear energy programme will solve all our problems. But the most casual glance at that shows that we are not maintaining the nuclear programmes on the level set out, and there is no way in which the leeway can be made up. The technical problems are slowing down developments, and everyday we have word of problems at various plants which will cause even further delay in the future.

So as I look at energy policy at the moment, I would describe it as a three-legged stool where all the legs are missing, and the response by the Council in their answers this morning was not encouraging. We can't afford to wait for the further observations of the Commission. What has happened is that the people making the decisions have now got us to a situation where urgent implementation of the resolution that has been tabled is necessary.

The strengthening of the coal industry is now an urgent matter; it is the only technical way in which

we can improve the situation. I read in the newspapers this week that the World Bank, which is not particularly noted for squandering its money, is investing in prospecting for coal in 51 developing countries.

There is a further reason why we ought to be giving further support to the coal industry and increasing the production and output of coal; that is the question of petrol which was raised by a Member who spoke earlier, though I take a slightly different view: I believe that failure to maintain supplies of petrol is potentially the most divisive threat to our society, and the possibility of us having to rely on petrol from coal sources is a very real one: we ought to be taking that one seriously now before the problem becomes too great.

In urging the Council to take note of the motion that has been tabled, and which I hope this Parliament will adopt tomorrow, could I specifically ask the Commission for a firm undertaking as to when they will produce the report referred to in the original question and in paragraph 11 of the resolution of this Parliament of 16 February on the drawing up of safeguard measures to protect the coalmining industry in the Community? Will the Commission give us a firm undertaking as to when that report will be produced, and in the light of this debate, will the Council please accept the need for urgent action in support of the coal industry in the terms of the motion set down?

President. — I call Mr Wurtz.

Mr Wurtz. — (*F*) Mr President, ladies and gentlemen, as other French members of the Communist and Allies Group will be speaking in this highly important debate on energy, I shall confine myself to making a few comments in protest against the tendency which is widespread in the Community — even though it is not openly admitted in this debate — to blame the present crisis, and in particular one of its main components — inflation — on oil.

This argument does not stand up to scrutiny, and I should like to adduce certain obvious facts in support of my case.

Let us consider, for example, the real movement in the price of oil. It is quite true that in 1973 the producer price of oil increased fourfold. But what is often not pointed out is that before that, from 1951-52 onwards, oil prices had been steadily declining. Did anyone really think that this situation would be maintained?

The same pattern emerged after the 1973 increases. From 1974 to 1978 the relative producer price of oil again fell. By that I mean that it rose much less quickly — owing to the decline of the dollar — than the price of the goods which we, the oil consuming countries, sell to the producer countries.

Wurtz

This anomalous situation was bound to lead to the further increase recently announced. Even with this latest increase, which — I repeat — has for the most part merely made up for the slow rise in the price of oil as compared with other prices, it is false to suggest that the economic burden of our oil imports has grown in recent years.

I shall mention only one example, that of my own country, France. According to the figures published recently in the report on the nation's accounts, France's oil bill forecast for 1980 — next year — will represent exactly the same proportion of the gross national product as it did three years ago, that is 3.75 %. In other words, France is not likely to have to spend a greater share of its wealth on oil in 1980 than in 1976.

So we see that although the cost of oil is admittedly not negligible, it is incorrect to say that it is the cause of the crisis. This is further borne out by the fact that the recent inflation both in France and in the other capitalist countries dates from late 1978 and early 1979, that is before the oil price increases.

Thus, the dangerously false notion that the increase in the price of oil was one of the major factors behind the upsurge in inflation and the expected deterioration of the employment situation is refuted by the facts.

I should point out that this last sentence was not taken from French Communist Party literature but from the annual report of GATT.

I expect, of course, that some of you will contradict this assertion, or at least comment on it. Those are, however, the facts: neither oil nor the oil-producing countries are responsible for the crisis.

This highlights the seriousness of certain statements made, for example, by the German Chancellor Helmut Schmidt, who has brandished the threat of a war with the oil producing countries, or by President Giscard d'Estaing, who has accused these countries of wrecking the French economy.

This reasoning goes so far as to ignore the very existence of the oil companies which, from the oil-well to the petrol station, are largely in control of oil affairs and reap enormous profits to the detriment both of the producer countries and our own consumers. But I assume that most of you will refrain from mentioning this point. Similarly, I doubt whether you will react against the abandoning of other energy sources, such as coal in France, a practice sponsored by the Community itself. I have never heard anyone protest against the extraordinary privilege which enables people like Baron Empain to raise the price of his reactor generators by 20 % to 30 % a year and PVK to increase the price of uranium sevenfold over five years.

Some of you prefer to join in the public opinion campaign directed at oil, even putting forward views

which you know to be 'dangerously false', in the words of GATT.

Your aim is quite clear — to help to ensure that the workers in your own countries accept austerity, not only now but in the long term, and to contribute towards creating a climate in which to strike at the peoples of the Third World.

I have no doubt whatever that these are some of the reasons which have prompted you to join forces and work shoulder to shoulder in the field of energy.

That is why we shall have no hand in these dealings. We, the French members of the Communist and Allies Group, favour a broad, national energy policy and wide-ranging cooperation on a nation to nation basis. We are united and resolute in defending the interests of our people, just cooperation between sovereign states and a new world economic and political order.

President. — I call Mr Damette.

Mr Damette. — (*F*) Mr President, I should like, as a French Communist, to make three comments on the production and marketing of coal.

Firstly, as regards coal policy, the Commission is essentially proposing subsidies which ought to be scrutinized more closely. The system of subsidies for intra-Community trade in steam coal as proposed by the Commission involves the distribution of 100 or 120 million u.a. to the producer countries. Under the quota system governing distribution about 5 % will be allocated to France and 60 % to West Germany. Given the procedure for financing, the real effect of the arrangements is that France will be paying a subsidy of 20 million u.a. to the German coal industry. Measures are in fact being applied to coal which will have the same effect as the compensatory amounts in agriculture. These compensatory amounts for coal are intended to make up for the damage which the dollar-mark gap is doing to the German coal industry, and French collieries are the first to suffer as a result.

Secondly, the Commission, in the text which it proposes, states that it wishes to avoid competition between coal subsidized by the Community and domestic coal, aid being provided when certain delivery conditions are satisfied. This measure is completely misguided, since we know that the Community and the French government have introduced a programme of rapid cutbacks in French coal production. To quote a few figures, production was 23 million tonnes in 1976, will be down to 17 million tonnes in 1981 and will subsequently be reduced to less than 15 million tonnes. These figures reveal the real aims of the Community coal policy — to cut French coal production in order to make room for German collieries.

Damette

Thirdly, in 1979 alone the Community and the French government decided to shut down four pits with an annual production of about 900 000 tonnes. In reply to a question put by my colleagues Mr Ansart and Mr Porcu in 1978, the Commission justified these closures by saying that the collieries in the northern, Pas-de-Calais, central and southern regions operated under particularly unfavourable conditions, had low productivity, were technically backward and had a much smaller market than the Lorraine coalfield or the British or German coalfields. The Commission is thus using comparisons to justify the closures in these regions. This argument is untenable at a time when a substantial increase in coal production is needed in all of Europe's coal producing countries.

The Commission is also falling back on the old argument about the lack of profitability of these coalfields. This argument has been used for twenty years to reduce coal production and to justify the 'all or nothing' approach to oil. We know the results. It is equally untenable, as it is based on a spurious and narrow definition of profitability which completely ignores the regional and social aspects of the problem. We can see the results of this policy in various parts of Europe, whether in France, Great Britain or Wallonia.

Finally, profitability is calculated on the basis of the present costs of other forms of energy, costs which are totally meaningless. In its report of May 1979 the ECSC Consultative Committee very rightly pointed out that present prices on the energy markets do not yet correspond to the prices which will prevail in times of shortage. Domestic coal is particularly affected by this situation. The fact of the matter is that, despite the lofty sentiments expressed concerning coal, production is continuing to decline as a result of the policy you are pursuing. I therefore think that the joint coal policy of the French government and the Community, which has resulted in the destruction of French coal production, is totally wrong and contrary to French regional interests. Once again, the measures applied by the Commission are tending to stifle French economic activity for the sake of the monopolies of West Germany. We shall therefore resolutely support these regions in their struggle to maintain and develop their economic activity, beginning with coal.

(Applause from the Communist and Allies Group)

President. — I call Mr Andrews.

Mr Andrews, President-in-Office of the Council. — Mr President, I am most grateful indeed for the various contributions made during the course of this very worthwhile — and indeed lengthy — debate. I listened of course with interest to the wide-ranging contributions here today, and I cannot imagine that many of the points which Members of the Parliament

have made will fail to strike a chord with the Council. Without taking up each point made by each individual contributor to the debate, there are a number of general considerations which I wish to put before you on behalf of the Council.

Under the heading of energy objectives: while the present crisis is only an oil crisis, the Council is fully aware that the Community must face up to it with determination to prevent it from escalating rapidly into a large-scale economic and social crisis; that is the real danger which confronts us, and it is evident from the debate here today that we are all of us fully alive to this very serious danger.

The chief result of the Strasbourg European Council was clearly that the Nine agreed to draw up a joint overall strategy on energy, which they successfully defended some days later at the Western Summit in Tokyo, thus showing that Europe is prepared both to shoulder its responsibilities and to make a contribution to the world problem of inadequate energy resources.

I should like to say something now about the action undertaken by the Community and the Member States to give effect to the decisions taken at Strasbourg. The first major point in the decisions adopted in Strasbourg was confirmation of the target of limiting oil consumption to 500 million tonnes in 1979 laid down at the meeting of the European Council in Paris in March 1979. The first available estimates show that, as a result of the energy saving measures already taken by the Community, and despite the unusually long and severe winter of 1978-1979, Community consumption was kept to a level only slightly above this target.

The second point of the decisions adopted in Strasbourg was the will expressed by the Council to continue and step up efforts to limit oil consumption, and thus to maintain Community oil imports between 1980 and 1985 at an annual level no higher than that for the year 1978.

Clearly, Mr President, it would not be possible to make an effort on this magnitude unless an effort on the same scale was made at the same time by the other industrialized consumer countries. The undertakings given by Canada, Japan and the United States in Tokyo were an encouraging first step in the circumstances prevailing at the particular time, particularly in the light of the further large rise in oil prices decided on by the OPEC countries in Geneva on the previous day.

Since then the Commission has received information from the Member States concerning forecasts and estimates of net oil imports in 1980 and 1985. This information and related studies made by the Commission in collaboration with the Member States indicate that Community imports will remain at the 1978 level. The European Council has also decided that this average will be accompanied by measures relating to

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the free markets, where prices bear no relation to those charged by the producer countries. In the meantime, the Council adopted on 28 August 1979 a regulation introducing registration for crude oil and/or petroleum products imported into the Community, and is currently examining a draft supplementary regulation laying down the rules governing this registration.

At the meeting taking place in Paris which has been adverted to from time to time during the course of this debate, the representatives of the Community and of the Member States attending the meeting will discuss with other major industrialized countries which participated in the Tokyo Summit whether an early information system should be introduced for a limited number of crude oil transactions.

The question of the certification of purchase price for crude oil will also be on the agenda of today's important meeting in Paris, the outcome of which I would not wish to anticipate in any way during the course of this debate.

The third major result of the deliberations of the Heads of State and Government at Strasbourg was the decision by the Community and the Member States to continue and extend the already initiated redeployment of energy which would be based on the strengthening of the energy-saving measures already under way, and enlist the use of nuclear energy, coal and as soon as possible, other alternative sources of energy. Each aspect of this last point, Mr President, needs to be examined separately, particularly the measures taken to encourage energy economy and the replacement of oil by other forms of energy.

I turn first to the new Community energy-saving measures. A major effort to save energy has already been made at Community level. The Council, which had already adopted on 12 June 1978, on a proposal from the Commission, a regulation on the granting of financial support for demonstration projects in the field of energy saving, also adopted on 9 April 1979, a regulating fixing at 55 million un. a. the maximum amount of aid to be made available pursuant to the above regulation for the whole of the four-year programme. The progress made in achieving the objectives previously fixed for 1985, and the generally shared feeling that considerable progress could still be made in this direction, are the reasons behind the Commission proposal of June 1979 which is currently being examined by the Council. The aim of this proposal is to establish a new objective reducing the ratio between the rate of growth and gross primary energy consumption and the rate of growth and gross national product progressively to be below 0.7 by 1990.

The actions of individual Member States will clearly be of major importance in achieving the common objective, which will not be possible unless the following conditions are fulfilled: Comparable efforts

must be made by all Member States. The Commission has proposed that the Member States adopt by 1980 energy-saving programmes with comparable effects and appropriate pricing policies, adopted, however, to the varying national circumstances. Policies must be implemented with flexibility so that knowledge and experience can be swiftly put to use.

Turning now to the subject I have already mentioned, namely the alternative forms of energy, the Members of this House will recall that one aspect of the world energy strategy outlined by the European Council in Strasbourg is the pursuit of economic growth, no longer dependent on oil consumption, but based on the development of other energy resources. It would be unreasonable to believe that the replacement of oil by other energy sources could be accomplished quickly, although there are a number of short and medium term possibilities for progressive substitution. Other possibilities envisaged are for prospects only for long-term use. In the short and medium terms, no economic growth will be possible without the development of nuclear energy and increased use of oil. The use of nuclear energy must of course be subject to conditions guaranteeing the safety of the population, as referred to by many speakers, including Mrs Ewing.

The Council will shortly be called upon to take a decision on a Commission proposal on the fixing of joint targets for 1990, among which feature increased use of oil and nuclear energy, so that these sources of primary energy together will provide at least 70 to 75 % of electricity production.

By the way, as I indicated earlier today in replying to Oral Questions 21/79 and 26/79, the Commission proposal on coal currently before the Council will be examined further when the Commission has offered the Council the fruit of its most recent reflections on coal in the context of the present overall energy situation.

In the longer term the prospects for replacing oil by other sources of energy are now being worked out. On 9 April 1979, the Council fixed at 95 million u.a. the maximum amount of the aid to be granted pursuant to Regulation (EEC) No 130/78 on the granting of financial support for projects to exploit alternative energy sources for the whole of the five-year programme made up in the following manner: 50 million u.a. for the liquification and gasification of solid fuels; 22.5 million u.a. for the exploitation of geothermal fields; 22.5 million u.a. for the exploitation of solar energy. I have no doubt that these monies will be put to good use, but it would of course be unrealistic to look for spectacular results in the short or even in the medium term.

What I have said today, including the actions I have listed, will, I hope, Mr President, serve to indicate that the Council is actively facing up to the energy problems which confront the Community. We all recognize that the time for rhetoric has passed and

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that determined action on a continuing basis involving joint efforts and indeed common sacrifice is called for. It is entirely appropriate that this Parliament, representing the electorate of the Community, should continue to stimulate the Council to find the necessary political will to confront to the fullest possible extent the very major and complex problems which arise over this whole area.

President. — I call Mr Davignon.

Mr Davignon, Member of the Commission. — (F) Mr President, many questions have been asked during this long debate, and I shall do my best to answer them. However, I should first like to make a few brief comments. Despite the explanation I gave this morning several speakers expressed surprise at Mr Brunner's absence, complaining that Community affairs are badly organized. I would like to make it clear that Mr Brunner is absent not because of a Council meeting, but because he is representing the Community at international talks with Canada, the United States and Japan. His absence is not therefore the result of any lack of coordination between the Community institutions.

Secondly, some people have said that I omitted certain points in my replies to the three preliminary questions by Mr Seligman, Mr Gallagher and Mr Radoux. To be accurate, I could only answer the first part of their questions, and I shall now reply to the second part. Mr Rogers, using sporting imagery, described me as a nimble outside-half; I would say that he is one of those players who shout frantically for the ball but have left the field by the time an opportunity arises to take a pass.

I shall now turn briefly to the general questions raised by Mrs Walz to which Mrs Lizin referred and which concern the Commission's attitude to energy problems. I was very surprised to hear that the Commission would really be glad if the Council did not approach the problems very enthusiastically, as the Commission could then use the Council's inertia as a screen for its own lack of purpose. I find these statements astonishing both in form and content, and they are surprisingly misguided, especially coming from people who had every reason to be familiar with all the workings of the Community. The Commission's role is clearly to back up its proposals to the Council and to adopt a resolute stand to ensure that the Council takes the necessary decisions. The Commission's role is not to squabble with the Council in Parliament. Parliament's task is to judge the replies made by the Commission and the Council. We do not intend to play before indifferent spectators. I should like in this connection to explain the basis of the Commission's energy policy and reply to the curious allegations of those who claim that we have no position in the short, medium or long terms.

The Committee on Energy and Research, like all the members of this House, now has at its disposal an outstanding document outlining a policy based on the changed conditions in which the world will find itself after the energy crisis, between now and 1990, and there is a whole series of other medium-term programmes. Parliament will have to consider all these measures and proposals when it holds a general debate on energy. But the Commission should not be accused of failing to initiate such a debate when it was merely asked certain specific questions on coal.

Before coming to the more specific questions on the Community's willingness to fulfil its commitments, I would remind you that this morning I pointed out, in connection with the saving of energy through reduced consumption and imports, that the Community has adopted a Community position on the basis of the Strasbourg option. Parliament will no doubt be interested to know that at today's meeting in Paris attended by Mr Brunner an undertaking was given regarding the 472 000 tonnes of imports according to which individual States would commit themselves to certain amounts; these are to be monitored by the body responsible for supervising the consistent operation of the scheme and if necessary, for adjusting the commitments, since the programme will cover several years. This was the position upheld today *vis-à-vis* the United States and Japan on behalf of the Community, and not just of certain Member States. At today's meeting we were thus able to get the United States and Japan to confirm the commitment they entered into in Tokyo concerning reduced consumption and imports: this is a precondition for developing this policy.

Again in this connection we have re-affirmed our willingness to ensure greater transparency in oil matters by means of a system of recording imports thus enabling us to follow market trends in Rotterdam and Genoa. I can therefore assure Mr Ippolito that we shall set up this machinery, which will be endorsed — at least I hope — by the Council of Ministers at its meeting in early October, so that we can make sure that Japan and the United States also observe their commitments.

Because the target for energy conservation which we set ourselves will not be reached and because the 5 % reduction will not be completely achieved by the end of the year — even though we should reach 10 million barrels per day by then — it has been said that we cannot blame the winter for the shortfall. That is a valid argument. The statistics show that the use of fuel stocks and consumption were greater than forecast. And allow me to add a comment here in passing: the reason we did not know this earlier was that Europe, as far as statistics and the market information supplied to the Community by the Member States are concerned, is living in the past. Our know-

Davignon

ledge of statistics and of the market, the use of common bases, data banks and data processing do not provide us with the machinery which is essential for drafting a clear policy. This point could be discussed by this Assembly in another debate. Before going on to the specific question of coal and nuclear power, I should now like to say a word about our discussions with the oil producing countries. Earlier, Mr Wurtz quoted from the GATT documents to suggest that this whole business of oil price increases was contrived and blown up out of all proportion to enable the oil companies to secure fatter profits and governments — including the Commission — to advocate shameful austerity with one aim in mind — oppress the people. I would ask you seriously whether this caricature is valid in view of the statistics and of the effects of inflation in terms of loss of purchasing power. If we are to have an objective and serious debate, statistics must not be manipulated one way or the other — as they clearly have been in this case. Furthermore, to suggest that the only parties interested in dialogue with the producer countries are the developing countries and that everyone else is bent on an aggressive and violent policy is — I repeat — totally unrealistic. I can assure the House that the Commission's approach is to seek out every opportunity to initiate such a dialogue, which is essential if we are to have a minimum of stability, security and cooperation. The various measures now being taken by the United Nations for the resumption of a general dialogue including energy problems are a development which we shall be following very closely.

I shall now turn, as briefly as possible, to the specific problems of coal. This morning there was a misunderstanding when the Council representative said that the Commission would, if necessary, submit fresh proposals to the Council. Obviously, the Commission will submit fresh proposals whenever it is necessary for the sake of progress, or whenever its initial proposals have to be tailored to the exigencies of a given situation or to new ideas. That is self-evident. But another obvious point — and I hope there will be no misunderstandings in the Council or Parliament on this matter — is that the Commission will not be submitting fresh proposals on coal while the proposals before the Council have still to be discussed and as long as no move has been made to implement them.

(Applause)

The Commission will never be a general secretariat dictated to by the Council and making new proposals because of the Council's refusal to examine the old ones.

(Applause)

In this connection, Mr Adam asked when the report provided for under paragraph 11 of the resolution, on the basis of which the questions were put this morning, would be presented. There has been a misunderstanding here, as the Commission is not preparing

a report. It has presented certain specific proposals to the Council in connection with the safeguard measures for coal; I shall not waste time by going into details, but they represent our approach to the problem and contain suggestions for dealing with it. We are quite prepared to provide information on what has been implemented, but we are not going to draw up a special report. We have done our duty in advocating a voluntary policy. While on this point, I should like to comment once again on the curious way in which Mr Damette depicted the situation in the coal industry. According to him — and believe me, I have heard this argument from the same quarter in connection with the problems of the steel industry — there is an enormous plot between the Commission and the national governments, in this case the French government, as he was speaking on behalf of the French Communists, with the aim of closing down as many mines as possible in the shortest possible time to enable the West German industry to develop and take advantage of the situation. I refute these allegations in the strongest possible terms, and find it astonishing that members of this House, which seeks to improve international cooperation, should try to set the workers of one country against those of another.

(Applause)

I did not interrupt you, Mr Damette, and heaven knows, it requires an effort not to. You also gave your own interpretation of the Treaty and of the statements made by my colleague, Mr Brunner, when you suggested that the Commission had decided to shut down certain pits. In the debate to which you referred, Mr Brunner mentioned certain arguments given in support of the purely commercial decisions which had resulted in the closure of the wells. There is a big difference between explaining a position and claiming that a situation is the result of mandatory and deliberate planning.

I now turn to the question put by Mr Rogers, which is also included in the question which Mr Linde asked this morning: is enough being done at Community level to provide adequate subsidies and aid for the coal industry to increase our production, thereby improving our energy supplies on the basis of Community solidarity? I am astonished that there is the slightest doubt as to the Commission's intentions in this respect. These are clear: it has proposed five specific measures to stimulate coal production in the Community and to set up the joint financial machinery to make this possible. I am rather surprised that Mr Wurtz has said that there are no problems with regard to oil prices, with Mr Damette remarking that coal prices are still very much higher than oil prices. That is why the mines are being closed down. There is a slight discrepancy there, but it is not surprising. On this point — which is of fundamental political importance — the Council has not yet reached the balance necessary for a decision.

Davignon

What is this balance? It is the balance which must be struck between a policy which argues that all our problems will be solved provided we produce coal and that we should therefore obtain this coal no matter what it costs (this seems to be neither realistic nor economically sound) and a policy which says that, for commercial reasons, our sole responsibility is to obtain coal as cheaply as possible from any source, which clearly makes any Community policy impossible and is contrary to the Commission's aims. The Council has not yet achieved such a balance. We insist that it must.

I now ask the House — Will the Commission approach the Council alone or with the support of Parliament? This is a fair question in view of the Council's replies.

While on the subject of coal, I should like once again to say a word about coal imports. Mr Poncelet, Mr Bangemann and others have already discussed this point. I would just like to say this — a number of statistics concerning coal imports were quoted this morning which suggested that the promotion of electricity production in the Community using Community coal is incompatible with the policy on imports. In order not to bore the House, I shall merely quote one figure. We used about 160 million tonnes of coal in our electricity power stations only 25 million of which were imported. So we see that it is by using Community coal that we can develop this policy.

Questions have also been asked concerning the origin of these imports. Obviously, if we decide for political reasons not to import from a particular country — and frequent references are made to the Commission's powers in this matter — it is difficult to base such a decision on the Treaty. However, if the Member States agree on a given policy in the context of political cooperation it is of course easy for the Commission to set up the machinery necessary for its implementation. But it must be clear to whom questions are addressed, and who answers them. I answer mine.

Mr Purvis and others raised some very interesting questions on the possibility of saving energy by harnessing the heat output of power stations. He is aware — and I am grateful for this — that the Commission attaches the utmost importance to this idea, having devoted 13 projects to it last year. We feel that schemes like this, which are compatible with our planning capabilities, should be examined in greater depth.

Now a few brief comments on three questions.

Firstly, investments: obviously, if we wish to develop this policy, it will be far more important than any we have pursued in the past. Under present circum-

stances, the Community clearly cannot advocate this policy without considering how it is to be financed, unless it wishes merely to express pious hopes without the machinery necessary to make this policy a success. Moreover, if we consider that investment on energy from now until 1980 will be in the order of at least 1.5% of our national product — or 40 thousand million units of account — we must set up additional financial machinery. In tomorrow's debate on the budget Parliament will again have the opportunity of asking whether the Commission is acting consistently. It is advocating financial machinery in addition to a policy. The Council accepts our aims but refuses the machinery.

As for the nuclear policy — an important matter which should not be treated as a side-issue in a debate on coal — in reply to Mrs Walz who suggested that the Commission is no longer acting in accordance with its recommendations, I would point out that when we object to statements by certain Member States, saying that by 1990 there will not be as much nuclear power available as is suggested, we are stating facts, not adopting a stand. But we do say that if the combination of coal power stations and nuclear power stations (to leave the option open for another debate) does not cover 70% to 75% of our electricity requirements in 1990, everything we say about energy conservation, our oil policy and the lessening of our dependence on imports becomes unrealistic. We must therefore depict the situation as it really is — indeed we have a duty to do so.

Mrs Ewing asked me a very specific question in this connection: will account be taken of the views of the local authorities concerning uranium mining in her region? I can tell her on behalf of the Commission that the permission of the local authorities has to be obtained before work can begin on any mines, whether uranium or coal. The Commission has no intention of changing national or regional legislation on this. Those are the facts. As Mr Brunner has already said, the fact that prospecting is at present going on in no way alters the legal realities of the situation and the existing rights and powers. I hope I have answered the question clearly.

Mr Ippolito and Mrs Lizin are surprised that I do not talk about the new forms of energy more often, but I am quite prepared to discuss them all night. However, no one has ever said that by 1990 this new energy will cover more than 5% of all our needs. So we have to choose: should we concentrate on the 95% or on the 5%? I would add right away that 5% is not an insignificant proportion, and that is why our projects...

Mr Pannella. — (F) Where did you find that figure?

Mr Davignon, Member of the Commission. — (F) Well, Mr Pannella, I am quite prepared to discuss this matter with you ; but I have listened to what you have been saying, though you did not question me on this point. We cannot bandy figures about wildly and create false hopes.

Even though we think that these new forms of energy account for only 5 % of our needs, this Community agreement was strengthened by the earmarking of nearly 100 million EUA for demonstration projects on solar and geothermal energy and the preparation of liquid and gas fuels. In the research budget we have prepared 250 million EUA have been earmarked for solar energy, and so we have clearly not neglected this field.

I apologize to Mrs Dekker for not answering her questions on the Euratom Treaty — this would lead us into a completely different debate — but I would just like to explain the situation to her. The Commission has not taken any decisions with a view to amending the Treaty. It received a memorandum from a Member State concerning Chapter VI of the Treaty which is in accordance with the Treaty. It is the Commission's responsibility to carry out the investigation necessitated by this request, which it has done ; it has not made any options or chosen any course of action, as it must act within its powers, and it has not yet made any formal proposals. Two important steps forward have, however, been made, since the Community is now in a position to negotiate an agreement for Euratom with Australia, and it is taking part in talks in Vienna on matters affecting nuclear security.

I realize I may have spoken too long, Mr President. I am aware that speakers are sometimes accused of not providing sufficiently detailed replies ; I have tried to give full answers in this second speech, and I should like to wind up by saying that the subject under discussion is so important politically, morally in the case of nuclear energy, and economically and financially in the case of the energy problem itself, that we have only been able to touch on it very briefly today. I feel we should return to this subject after fresh discussions have been held, in particular with the Committee on Energy and Research. On behalf of the Commission I promise that we shall do what we can to overcome the obstacles in the Council and that we shall launch new initiatives, which are essential if we are to achieve further progress, after discussing them both with the Council and Parliament.

President. — I call Mr Adam.

Mr Adam. — Mr President, as one of the Members who signed the original motion, I feel obliged to press the point of the particular question which we addressed to the Council. The Council has very kindly

told us things that we already knew ; firstly, about the agreements that had been made in Strasbourg, which after all are simply statements of good intention and, secondly, the energy programmes which the Council has already adopted. But what the Minister has not told us is simply what our question asked in the first place : when the Council intends to take some positive action on the Commission's proposals in the coal sector. Now, Mr President, tomorrow Parliament will vote on a motion for a resolution which was put down on the initiative of the Socialist Members but which is now supported by members of other political groups, calling on the Council to adopt, at its next meeting, the proposal on aid for coal-fired power stations. Can we hope that the Council will at last respect the wishes of Parliament and take some action on this very vital matter ?

President. — I call Mr Seligman.

Mr Seligman. — Mr President, just four quick points.

I am afraid Mr Andrews' opening remarks seem nothing more than a delaying action but his closing remarks were much more encouraging. But I do hope he will convey to his colleagues on the Council how dismayed and extremely disappointed this Parliament is that the decisions of the Strasbourg Summit have been immediately reversed by the Budget Council. All parties seem to agree on this.

Secondly, I welcome Mr Davignon's clarification — a very signified clarification — of his position on the coal proposals. I sympathize with him. The Commission is being criticized for not preparing sufficiently detailed proposals, but that is not fair. I do not know how we can expect them to do this if their budgets are slashed every year. I ask the Commission to press the Council for a four-year roll-over budget, not an annual budget.

The third point is that he states that big sums for investment are needed. I suggest that the Ortol facility is greatly expanded. A billion dollars is not sufficient for our requirements. We must do this, otherwise we shall be stuck with the budget limits which are hopeless.

And, finally, Mrs Ewing joined the ranks of the scare-mongers on nuclear energy. I think one thing is certain — if we do not have nuclear energy we shall have massive unemployment in the next few years. And I implore Mrs Ewing to show a bit of leadership and not just follow the instinctive fears of her constituents. Even that extreme left-winger, Mick McGahy, has agreed that nuclear power and coal are necessary partners. And if he can agree with that, surely Mrs Ewing can.

Seligman

I would like to thank Mr Andrews and Mr Davignon for sitting through this marathon debate.

(Applause)

President. — The debate is closed.

The proceedings will now be suspended until 8.30 p.m.

The House will rise.

(The sitting was suspended at 7.25 p.m. and resumed at 8.30 p.m.)

IN THE CHAIR : MRS VEIL*President*

President. — The sitting is resumed.

Before continuing our agenda, I should like to stress how much the staff has helped us by agreeing to the change in the agenda. This means a great deal of extra work for them after a difficult day, and some may have made other arrangements. I would sincerely hope that we could finish the sitting by midnight, but given the number of speakers listed, we are likely to take slightly longer.

A moment ago some Members paid tribute to the staff. I think that the best way of showing them our gratitude for the understanding they have shown is by making our speeches as brief as possible, by avoiding all time-consuming procedural wrangles and by trying to be as concise as possible.

13. Common system of extradition

President. — I should like to take advantage of this item on the agenda, the question by Lady Elles, to condemn publicly, on behalf of the European Parliament, all forms of the terrorism which no country and no community can today, unfortunately, claim to be spared. I should like to pay tribute to all the victims, whether known or unknown, of such terrorism, and I think in particular of the suffering of their families, so often intensified by the very arbitrariness of the attacks. I should like to extend to them the expression of Parliament's sympathy and grief.

The next item is the oral question with debate (Doc. 1-288/79) by Lady Elles, on behalf of the European Democratic Group, to the Foreign Ministers of the nine Member States of the European Community meeting in political cooperation :

Subject: Common system of extradition in the fight against international crime and terrorism

Would the Foreign Ministers report progress among the governments of the Member States towards a common system of extradition in the fight against international crime and terrorism ?

I call Lady Elles.

Lady Elles. — Madam President, I would first of all like to thank you particularly for having agreed to accept the urgency of this oral question with debate this evening and through you also to join in expressing my grateful thanks to the staff of this Parliament, who have enabled this debate and other debates this evening to take place. I shall certainly take note of your request to shorten as much as possible the statements that I have to make. And I would also like to thank you, Madam President, for the statements that you have made and the sympathy that you have expressed to the families of all those who have suffered from acts of terrorism within the Community.

The Member States of the Community, who are among the few democracies left in the world who share the same ideologies of freedom under the law, have been and are being subjected to forms of crime by people who frequently share the same training, the same resources and, regrettably, the same objectives of destroying those democracies in which they are living. The Member States of the Community, therefore, in upholding the rule of law and in fulfilling their obligations to protect the lives of their citizens, must take measures to halt the devastating tragic and frequently indiscriminate acts by international terrorists against their citizens and within the territories of the Member States.

Recent events in Member States — and in the majority of Member States, I regret to say — have included kidnapping, murder, the taking of hostages, aeroplane hijacking and the rest. There has been no end to the forms in which these terrorist acts have shown themselves. But there has been one common international characteristic of these offences, and that has been that the offender has either committed his crime in his own territory and taken refuge in a third country, or has committed an act in a country outside his own and returned to his own country for refuge. Further, these fugitives very frequently, of course, resort then to other forms of crime such as robberies and robbery with violence. Certain factors facilitate the activities of these offenders: developments in weapons technology, ease of transport and communication: and, of course, in accordance with the principles of the European Community, there is much greater freedom between our Member States across national borders. There is, therefore, an urgent need, not only

Elles

to strengthen our police force and to take measures to ensure cooperation between Community police forces, but for a common policy on extradition or prosecution as well as on extradition procedures.

But apart from the physical factors that I have mentioned, some Member States have been restricted by legal complexities, which I think can be called hangovers from the nineteenth century, such as not returning those accused of so called political crimes to the requesting State, which might at that time of course have been an oppressive or tyrannical regime; or again, the idea that a State should refuse to extradite its own nationals. But, Madam President, these grounds are no longer relevant to the Member States. We are all high contracting parties to the European Convention on Human Rights and Fundamental Freedoms, a convention which recognizes and protects the rights of all individuals in the matters of arrest, detention and trial. So we share a common system of law which protects the rights of even the offender. Further, these difficulties which were raised are matters of municipal law. It must be clarified that there is no principle or rule in international law which forbids the extradition of an alleged criminal on the grounds that he had committed a so called political offence, nor that a requested State is prohibited from extraditing its own nationals.

Regrettably, united action though existing international agreements, The Hague, Montreal and New York agreements, have limited effect in dealing with these offenders. Even the European Convention on the Suppression of Terrorism — supported incidentally by all six political groups of all nationalities in this Parliament in January 1977, which urged governments of Member States to ratify it, has not proved to be as fully effective as had been desired.

My question therefore to the minister replying for the foreign minister of the Nine meeting in political cooperation, arises from a clause in the reservation made by one of the Member States to the above-mentioned Convention, reserving ratification pending the drafting of an instrument by the Nine. Could the minister replying inform this House on this particular instrument in more detail? — and I have given advance notice to the minister of my questions. When will the text of this instrument be available for publication? When is it expected to be signed and ratified? Would he confirm that it has been drawn up so that all Nine Member States must ratify it to put its provisions into effect? Are applicant countries being kept informed of the contents and of their obligations to ratify on accession?

Madam President, when those who live in freedom abuse that freedom to destroy the lives of so many innocent people, and leave tragedy amongst families;

when these acts are indiscriminate as well as barbarous, we, in the Community, cannot and must not remain silent and inactive. A step forward to recognize at least a common system based on the principles of 'extradite or prosecute' would at least be one step forward. Such terrorists in the Member States of the Community must know that there is no haven; in the jurisdiction of all our Member States, let there be, for all these people, no hiding place.

(Cries of 'Hear!, hear!')

In conclusion, Madam President, I would like to say that a motion for a resolution has been drawn up and circulated, and I hope I shall have full support for this motion tomorrow morning when it is voted upon.

(Applause)

President. — I call Mr Skovmand.

Mr Skovmand. — *(DK)* As representative of the anti-European Community movement in Denmark, I should like to urge the Assembly to refuse to discuss this matter. The question of a common system of extradition is not covered by the Treaty of Rome and should therefore not be discussed in this Assembly. I might also add that this will have the additional advantage of enabling us to finish our business a little earlier.

President. — Mr Skovmand has asked to speak for a procedural motion in accordance with Rule 32 of the rules of Procedure in order to move the previous question concerning the oral question with debate by Lady Elles.

I would remind the House that 'only the mover of the motion, one speaker for and one against the motion, and the chairmen or the rapporteurs of the committees concerned may be heard' and that speaking time is limited to three minutes each.

I call Mr Skovmand.

Mr Skovmand. — *(DK)* I should like to explain briefly why the members of the movement which I represent feel that this question should not be discussed. As we see it, the rule of law is one of the cornerstones of any democracy and one of its essential principles in that the accused should always be given the benefit of any doubt. Unfortunately, however, some of the Member States no longer seem to accept this principle as a matter of course. For example, in West Germany, the country with which Denmark shares its southern border, reactions to various acts of terrorism appear to be so violent that to some extent the principles of the rule of law appear to have been thrown overboard and we would prefer it if this phenomenon did not spread to Denmark, which would be the case if Lady Elles' proposal were to become a reality.

Skovmand

Terrorism is a serious matter, but there are more ways of fighting it than by stepping up police action and putting people in prison. If we want to put an end to terrorism, we must first of all get to the roots of it. Terrorism in Northern Ireland is connected with the fact that the Catholic population has for many years been repressed by the Protestant majority. The bombings in Brittany and Corsica stem from the repression of national minorities by the French Government. Terrorism in West Germany is connected with a lack of understanding of the fact that people can hold political views different from those of the majority and have a right to do so.

Denmark is no Utopia, but we do not have a terrorist problem — which is probably due to the fact that we attach more importance to tolerance than to the majority always getting its own way. I must oppose the discussion of Lady Elles' motion for a resolution in this Parliament. Many Danes are concerned that, for example, the German police will try to get the Danish police to arrest Germans currently living in Denmark, which is something which it would otherwise never do. I am afraid that a common system of extradition would increase the influence of Germany on Denmark in this respect and thus bring terrorism to Denmark which is, at the moment, free of it. I hope that it will be possible to keep terrorism, like rabies, south of the Danish-German border. For this reason I oppose the discussion of this motion for a resolution.

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

Mr Spicer. — Madam President, we all in this House, newly elected though we may be, must observe some form of common conduct. I have never yet seen people in this House over the last five or six years, sit in their place to address the House.

(Cries of 'Hear!, hear!')

Could you, Madam President, exercise with the full support of 99 % of the Members of this House the sort of discipline on Members that we all would adhere to in our own national Parliaments and not allow people to behave in this disgraceful fashion?

(Applause)

President. — I note your remarks. I must admit that I have given up trying to make Members comply with a number of rules normally applied in other parliaments, since it is not the first time that I am surprised at the behaviour of certain Members here. I agree with you that it is most desirable for Members to adhere spontaneously to a number of rules, such as standing up to speak. All I can do is express this hope, since it is not in my power to issue instructions on the matter.

I call Lady Elles to speak against the motion.

Lady Elles. — Madam President, Mr Skovmand has given a very good reason why it should be debated.

He made some very good points about extradition in his own country, and I can only assume that he was grateful to me for giving him the opportunity for making those remarks. So I think that on principle his objection would be overruled.

But I think we should remind him that the whole legal basis of the Community as expressed in the European Court of Justice in many cases is based on the rule of law and the recognition of the human rights and fundamental freedoms of all citizens of this Community. So that I think his objections again are totally irrelevant to this debate. How is it possible indeed, for the living and working conditions of all the peoples of the Communities to be constantly improved as stated in the preamble of the Treaty of Rome, if we are living in a state of terrorism and in a state of instability caused by those acts of terrorism? It is surely the rule of law of this Community to maintain peace and to ensure that peace is maintained in our Member States. And therefore I object to the motion proposed by Mr Skovmand.

President. — I would remind you that, if the motion is adopted, this oral question will be automatically removed from the agenda.

I put the procedural motion to the vote.

The procedural motion is rejected.

I call Mr Andrews.

Mr Andrews, President-in-Office of the Foreign Ministers. — Madam President, I am replying, of course, to this question on extradition by Lady Elles on behalf of the nine Member States of the Community. An agreed answer to the question is as follows:

The Member States are considering measures to intensify cooperation among the Nine in a number of areas of criminal law, including extradition, which will enable our societies to be defended against acts of violence. In this connection the respected Member will recall the declaration adopted at the fifth, sixth and seventh European Councils, in accordance with which a group of senior officials has been studying two instruments. The first of these is an agreement between the Member States of the European Communities on the application of the European Convention on the Suppression of Terrorism. That convention provides that certain serious offences are not to be regarded as offences of a political character for the purpose of extradition between contracting States. The second instrument is a draft convention on cooperation in criminal matters between the Nine, which has been studied in the context of proposals for the creation of an *espace judiciaire européen*.

The respected lady Member's attention is drawn to the reply given to Written Question No 92/79, in which reference was made to the arrangements which are

Andrews

proceeding for the formal opening for signature of the first-mentioned instrument, the agreement between the Member States of the European Communities on the application of the the European Convention on the Suppression of Terrorism. Indeed it appears likely that the agreement will be formally signed during the current Irish presidency. Its object is to apply the European Convention for the Suppression of Terrorism in the context of the Nine. The agreement regulates on the basis of that convention the position of each Member State of the Nine, taking into account whether or not a Member State has signed or ratified the convention and whether or not a Member State has made, or intends to make, a reservation to that convention. It does this in such a way as not to infringe the constitutional requirements of any Member State.

The draft convention on cooperation in criminal matters is concerned mainly with extradition, and in its present form applies not only to terrorist-type offences but to a broad range of offences of a certain gravity. It would require Member States to submit a case to their competent authorities for the purpose of prosecution, in certain circumstances where extradition was refused, and to ensure that they have jurisdiction for this purpose. It also aims to establish simplified procedures.

This draft constitutes the first step in the study of proposals for the creation of an *espace judiciaire européen*. As a second step, the group will extend its study to other matters in the criminal field. The group of senior officials meets at frequent intervals to examine this draft, and the respected Lady Member will recall that it reported to the Ministers of Justice of the Nine at the meeting in Paris on 23 April 1979.

Although substantial progress has been made in the drafting of this convention, some extremely complex matters require detailed study, which is now taking place.

The Ministers of Justice of the Nine intend to hold another conference later this year, at which a further report of the group on the progress of discussions since April 1979 will be presented.

That is the reply on behalf of the nine Member States of the European Community. But may I say, out of courtesy to the respected lady Member, that it will be my intention to return at the conclusion of the debate to the specific points raised by her during her excellent contribution.

President. — I call Mr Sieglerschmidt on behalf of the Socialist Group.

Mr Sieglerschmidt. — (D) Madam President, ladies and gentlemen. As Lady Elles has already pointed out, the law on extradition in our Member States, and also the Council of Europe Agreement on extradition, contain the traditional provision to the effect that offenders who have committed acts which can be

described as politically motivated do not have to be extradited. We must consider to what extent this provision is applicable to terrorists, since there is the problem that the motives of terrorists are undoubtedly political in nature, whatever view one happens to take of these motives. Clearly, however, whatever these political motives may be, they cannot justify any recourse to extreme violence or serious crime in our Member States as a means of making political points. At the same time, we must also take account of the fact that, as Lady Elles has also already pointed out, the European Convention on Human Rights is binding in the Member States of the Community. We are all contracting parties to this Convention. I should also like to say quite clearly in view of what a certain speaker has said about my country — with which I strongly disagree — that anyone who has doubts as to whether or not justice is being done in a particular Member State according to the provisions of the Convention on Human Rights, should also have the courage to say and prove that this Convention is being infringed in the Member State in question.

Ladies and gentlemen, we know that these offences are being committed in our Member States and that the international mobility which the offenders enjoy would have been virtually unimaginable in the past. In many cases, the offender comes from one country, the act is committed in another but directed against a third and has been planned in a fourth. We must ensure that the cases are tried either in the country in which the offence was committed or in the country of origin of the offender, which is the most sensible course of action. This is what the European Convention is trying to ensure, but as we know, some of our Member States have certain doubts concerning this Convention, particularly as regards the automatic element, which is by no means as great as it seems, and in fact so far only three Member States have ratified the European Convention on the Suppression of Terrorism, namely Denmark, the United Kingdom and the Federal Republic.

There are many kinds of reservation — and we will no doubt be hearing about some of them during this debate — and we must respect them. Several of these reservations concern the fact that the geographical area of application of the Convention is too large, stretching as it does from Iceland to Cyprus, which means that the Convention should be applicable within the European Community. I should like to urge all of those who have not yet been able to decide in favour of ratification to take a serious look at their reservations, since I am certain that they would then have to accept that they are not valid. They should at least ratify the Agreement of the Nine, i.e. the agreement covering the European Community and, if possible, also the Convention covering the area of the Member States of the Council of Europe as a whole. I should like to add in a personal capacity that I feel it

Sieglerschmidt

is vital that these matters should be considered without delay so that ratification can take place as soon as possible.

Finally, Madam President, I should like to make a final remark concerning the 'espace judiciaire', i.e. the judicial area mentioned by the President-in-Office of the Council. We should, I think, be careful that this 'espace judiciaire communautaire' which has been brought into the discussion by the French President Mr Giscard d'Estaing, does not become simply a penal area. No, we must all see to it that this European judicial area is backed up by a European Charter of human rights, i.e. by the introduction of political, economic, social and cultural rights for the citizens of the European Community.

(Applause)

President. — I call Mr Janssen van Raay on behalf of the European People's Party (CD).

Mr Janssen van Raay. — *(NL)* Madam President, I should first of all like to say that the remarks you made at the beginning of this debate reflected the feelings of both myself and the members of my Group. You expressed your sympathy for the helpless, innocent victims of terrorism. What we are talking about now is how to deal with this terrorism, and one point strikes me as of particular importance, namely, that terrorism, is not a political but a criminal matter. We should never forget this.

(Applause)

As I see it, it is an insult to real political refugees, who have traditionally been able to seek asylum in our countries, to put them in the same class as so-called 'political' terrorists. I should be a matter of indifference whether a murder is committed out of jealousy or greed, or for political reasons. Thus, what we are talking about here is simply fighting crime. This, then, is the reason — as the deputy President-in-Office has already said, and I assume that this is central to our debate — for the European Convention on the Suppression of Terrorism.

I believe we are to be presented with a motion for a resolution. We shall certainly consider this resolution. Since criminal matters are involved, these criminals will naturally have the rights which criminals normally enjoy according to the laws of the Member States of the European Community. However, this is nonetheless an instrument which will be in the interests of all the Member States of the European Community since it may enable us to eradicate terrorism.

President. — I call Mr Scott-Hopkins to speak on behalf of the European Democratic Group.

Mr Scott-Hopkins. — Madam President, I will be brief, mainly for the reason that the speech by my honourable friend Diana Elles is supported completely by my group, and it is very difficult for me to add anything of substance to it.

I could make an emotional speech, Madam President. It is too easy to do so, bearing in mind the events

which have occurred over the past few weeks in my country. I do not wish to do that. It is not the time or the place to do so. What is important, I think, is that this Community should show that we are really a Community and we really wish to deal with this matter on a Community basis. I entirely agree with the statement which has just been made to the effect that these acts are of a criminal nature. If we cannot deal with this on the basis of the Community, of nine Member States closely associated together, then indeed we are in deep difficulty. But I am sure we can. And this was the burden and the thrust of what my honourable friend has been putting forward in her very excellent speech, Madam President. And so my sole purpose in intervening at this moment is to say to this House and to you, Madam President, that we are entirely behind Lady Elles in what she has said. We agree entirely with what she has put forward to this House, and we sincerely hope that when the motion for a resolution which we have framed and which she mentioned in her speech is circulated at the earliest possible moment, we shall get the maximum of support for it.

I said it is too easy for me to start being emotional about this. We all know what has happened. We all know the feelings that have been expressed in our various countries towards the people who commit these sort of crimes, and I know how I myself personally feel. But this is not the moment to go into that, this is a debate of importance and gravity which I hope will be reported throughout the Community. And so all I would say on behalf of my group is that we entirely support the speech which has been made, and we hope that when the motion for a resolution has been circulated the rest of the House will be able to support it too. Madam President, that is all I wish to say on behalf of my group.

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

Mr D'Angelosante. — *(I)* Madam President, ladies and gentlemen, we fully share and accept the spirit of this oral question and this debate, inasmuch as it is our firm conviction that no cause real or presumed, no assertion, proved or unproved, of support, principle or ideals, can at any time justify murder, kidnapping, blackmail or extortion.

(Applause)

We are firmly persuaded that no one has the right to resort to these violent means for any reason whatsoever and, as far as we are concerned, we have fought and we are fighting still with all the means available to us to see that these odious crimes are repressed, punished and prevented. We consider that certain people commit a grave mistake in inclining, for humanitarian reasons or for mistaken reasons of party, to a kind of 'justificationism' with regard to such serious matters, citing in their defence ideals and

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social classes which, in my opinion, have nothing whatsoever to do with the criminal acts carried out by terrorists. We believe that if a speedy remedy is not sought for this social disease, which now constitutes a threat not only to all the countries of our continent but also to other parts of the world, the result for the people of the world, and particularly the weaker amongst us, will be disastrous: here I am alluding to the working classes, that is, those who, sooner or later, will have to pay the cost of these horrible crimes.

We believe that it is the duty of everyone to defend democracy from this sort of attack and, as for ourselves, we are in the front line at home and have accepted fully the responsibilities and risks involved in this struggle. I do not intend to give way to emotion or to emotionalism; in other words, I do not intend to mention particular incidents or particular facts. To be sure, this struggle must be waged with full respect for the rights which our laws guarantee to persons accused of any crime whatsoever, and if these rights are not respected in some countries the fact must be made known and opposed. But we believe that if we demand full respect for the procedural guarantees we must also ensure that the substantive rules of the criminal law — here I am alluding to the State's legitimate prerogative of punishment — are also, as it were, protected and respected.

Lady Elles said a short while ago that there was no limitation in international law on that particular procedure which is the subject of this debate, that is, the right of extradition. Unfortunately, this rule of international law does exist and involves the possibility — in my country for example it is a rule of constitutional law — of extradition in those cases where the offence of which the person whose extradition is requested by another State is accused is a political offence.

Now I am convinced that this rule owes its origins to profoundly just and democratic considerations, and that originally it was intended to protect persons who were persecuted by tyrannical and undemocratic regimes. But in the present state of affairs, while I do *not* think that this restriction should be abolished, I do maintain that it should be more narrowly defined. In the criminal law of my country, for example, as in every other — I think — a political offence is one which is committed for political motives. In my opinion this definition should be narrowed somewhat, because there are some political offences where the political motive is self-evident and incontrovertible but there are other political offences in which the motive depends on the justification which the author of the offence gives for this actions. For example, how does one establish an objective difference between the murder of a magistrate carried out by the Mafia and the murder of another magistrate carried out by people who claim they are motivated by political considerations? How can the murder of a magistrate be politically justified, as has happened in my country, by the mere fact that this magistrate was doing his

duty and ensuring that the institutions were respected by the public. In my opinion this is a criterion which must be more or less abandoned and the answer we have received from the President of the Council does not help us very much, because he said that a convention will shortly take force which establishes that some crimes may not be considered to be politically motivated though he does not tell us which crimes and in which cases. The present Convention, the Council of Europe Convention, apart from the fact that it has not been ratified, is not in my opinion completely satisfactory or sufficient because it sets out as an alternative to extradition the possibility of trying the person whose extradition is requested in the country which is asked to extradite him. For these reasons we are of the opinion that the harmonization of national laws, or the creation of a European judicial area, or an agreement between the nine countries to solve this serious problem in a manner appropriate to the requirements of today are not only necessary but desirable.

President. — I call Mr Haagerup on behalf of the Liberal and Democratic Group.

Mr Haagerup. — (DK) Madam President, the brief time I can devote to this question in my capacity as spokesman of the Liberal and Democratic Group is disproportionate to our concern regarding the problems of terrorism. As we see it, it is right that the Member States of the Community should cooperate as closely as possible to oppose and suppress terrorism, and it goes without saying that this cooperation will not reduce the contacts we have with third countries in this respect. I do not intend to go into the points made by my countryman Mr Skovmand, since his grotesque assertions and insulting allegations do not need further comment. In particular, I find his totally groundless assertions and accusations regarding the Federal Republic, including the political and legal situation in that country, completely outrageous and it was not only the way in which he presented this speech which I found disturbing, but also the content. I should like to say as a matter of pure principle that the suppression of terrorism, whatever form it may take and wherever it may occur, is not only a matter for police action, even if this is clearly necessary, not only at national but also at international level. We must also take political measures, including a common system of extradition, even if we all realize the difficult constitutional problems involved in several countries. We should like to say that we are confident that these in some cases complex legal problems in several European countries will not be an obstacle to wholehearted cooperation aimed at suppressing terrorism wherever it occurs. In saying this, I am not denying that there are also difficult specific political problems which, regardless of how groundless they may seem, are among the motives for the unpardonable and reprehensible acts we are trying to prevent and suppress as effectively as possible.

Haagerup

We are waiting to hear what else the President of the Council has to say and have no doubt that it will reflect a firm resolve to combat terrorism throughout the Community, using all the means available to civilized States governed by the rule of law, and determination as firm as that underlying the oral question and the attitude of my group.

(Applause)

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

Mr Lalor. — Madam President, on behalf of my group I would like to welcome discussion of this most important item in the European Parliament. Many of you will be aware of the tragic events that have resulted in human suffering and crime in the Member States. We are all well aware just how far from reason, logic and decency are the small minorities who seek to advance their causes by violence. Sooner or later they will have to realize that policies which seek solutions through violence are empty and terrifying, because they are beyond reason and almost beyond hope. The mass revulsion generated by the murder of Lord Mountbatten and the assassination of our esteemed colleague, Aldo Moro, has been well articulated by the Governments of the Member States and by other political leaders.

It must be now accepted that the European Community must be concerned with any area within its jurisdiction where violence is rampant and political instability a constant threat. This democratically elected Assembly has a grave responsibility to ensure that constructive solutions are put forward for decision by our nine member governments, solutions that will eradicate this cancer and guarantee the basic rights of life and security to our citizens. We must equally ensure that we discuss this problem in a responsible manner and that in doing so we reject totally the incitement to mass murder made by a Member of this House. If there are amongst us any who would seek to use this debate to make unfounded allegations or to advocate solutions which ignore the norms of international law, I would say to them that they are in danger of further fuelling violence. In any event, it is widely accepted that the kind of outburst recently made by a Member of this House does not reflect the policies and attitudes of responsible political leaders and least of all of the governments of any of the Member States. The question of persons who commit offences in one area of jurisdiction and flee to another is a subject on which there is a great deal of misunderstanding. Perhaps this is reasonable, given the technical nature of the subject. What is not reasonable, however, is that some person should apparently try to foster this misunderstanding and misrepresent the position of Ireland.

It is important to remember that many States have reserved the right not to extradite their own nationals at all, whether the offence be political or non-political. Thus, for example, Belgium, Denmark, France, Germany and the Netherlands all prohibit the extradition of their own nationals to a foreign country. In this respect, the extradition laws of Ireland are less restrictive than those of several European countries.

The spread of terrorist crime has resulted in many international conventions. There is the Hijacking Convention of 1973 and the Montreal Convention of 1971 on the same subject. The latter followed the long-established principle of international law *aut dedere aut judicare*, which means that if a State does not extradite, it will try the persons itself, the principle on which Irish law is based. When this Montreal Convention was being drafted, the UK, together with other West European States, strongly rejected the claim that extradition was an appropriate remedy. Similarly, when the taking of hostages was discussed at the European Council in July 1976, the Heads of State or Government of Belgium, Denmark, France, Germany, Luxembourg, the Netherlands, Ireland, Italy and the UK accepted this same principle of 'try or extradite'. The principle is not therefore in any way new or strange in national or in international law.

The Council of Europe's Convention for the Suppression of Terrorism, which was opened for signature in January 1977, does not accommodate this fundamental principle. While Britain, which does not enjoy the benefit of a written constitution, was able to sign this Convention, Ireland, because of Article 29 of its Constitution, which states that Ireland accepts the generally recognized principles of international law as its rule of conduct in its relations with other States, was unable to sign.

The non-signature by Ireland of the European Convention has given rise to much criticism, particularly in Northern Ireland. However, it is little realized or appreciated that while most European countries have signed the Convention there is so much by way of qualification that its acceptance by us would be meaningless in the context of Northern Ireland. Thus, France, Germany, Belgium and Denmark do not extradite their own nationals at all, whether the offence be political or non-political. Sweden, Italy, Norway, Portugal entered reservations as to their right not to extradite for particular offences. Even in relation to the European Convention, at least eight continental countries are not undertaking to allow extradition in circumstances similar to ours. If Ireland were to sign the Convention subject to qualifications that are widespread among other European countries, it would not be contributing in any way to the suppression of violence.

The new agreement amongst the Nine on the suppression of terrorism, to which the President-in-Office of

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the Council has referred in his detailed reply, is shortly to be opened for signature in Dublin and will be signed by Ireland. This Community agreement is based on the principle of 'try or extradite' and meets Ireland's constitutional difficulties.

President. — I call Mr Hume.

Mr Hume. — Coming as I do from a part of the European Community that has suffered more than any other part in the past decade from crimes of violence, I can only fully endorse your opening remarks of total and utter condemnation of anyone in any of our member countries who would use violence to achieve political objectives and I hope that you would include in that any Member of this House who encourages organizations to use violence to achieve political objectives.

I welcome the fact that Lady Elles has raised this matter, since it gives us an opportunity of discussing the problem, and I welcome it particularly because of the source from which the question comes, the British Conservative Group, because it is quite clear from the comments of Mr Scott-Hopkins that in effect this question arises from the specific situation in Ireland although they have spoken in general terms. And I welcome it too because of the implication that the Irish situation is a matter for discussion in this Parliament, contrary to what has always been held and reiterated by their party and their Government. It seems to me not very logical to think that one can discuss the purely security aspects of a problem without also discussing the political situation which has given rise to those security aspects. I therefore look forward to their joining with me, not just in discussing some aspects of this problem, but in bringing onto the floor of this House a full-scale discussion of a problem that has poisoned relations between two of our Member States at least for the past decade and, as we all know, for many years before that, because it seems to me quite illogical that we in this House should pass comment on what is happening in other parts of the world far outside this Community and refuse to face and discuss a serious political problem within our own boundaries. Lest anyone should also feel, as some speakers have suggested, that security solutions alone can solve deep political problems, let me tell you that the population of Northern Ireland is one-and-a-half million people. In the past 10 years, we have had 20 000 soldiers on our streets. We have had imprisonment without trial, we now have non-jury trials, we have built two new prisons, and we have plans to build a third. As regards the proposal to add yet another measure such as the one suggested here, while

it is important in itself against that background, I must say it is foolish to assume that you can solve problems like this by security measures alone. There is a deep political problem there that has to be faced up to and has to be resolved, and I would welcome a full-scale discussion of it in this House at a future date.

Might I also say in the friendliest possible manner to the members of the European Democratic Group that they would make some contribution to the situation in Northern Ireland if they were to dissociate themselves, strongly, clearly and unequivocally, from the statement made a few weeks ago by one of their own number when he gave positive and clear encouragement to a paramilitary organization in Northern Ireland to attack targets in the Republic of Ireland I refer to Mr John D. Taylor, who said :

If the leadership of the Loyalist paramilitary organizations find it absolutely impossible to refrain from renewed action on the ground, then in no way can that action occur on Ulster soil. It should be directed to targets within the Republic of Ireland.

That is a clear incitement to violence by a member of your group, and I hope that during this debate you will clearly dissociate yourselves from such a statement, because I consider people who use that sort of language to be equally responsible if not more responsible, because they are supposed to have more intelligence than some of the young people who have got caught up in the terrible violence of Northern Ireland.

Madam President, the basic point I want to make is that I welcome this discussion. I welcome the implication that the Irish question is a matter for this Assembly, and I will say to it, I hope with the support of the British Conservative Group, that this Assembly should discuss all aspects of this question at a date in the near future.

President. — I call Mr Paisley.

Mr Paisley. — Madam President, I welcome the opportunity of discussing this matter in the presence of representatives from the Irish Republic, because the matter that we discuss tonight is a bone of contention between the people of Northern Ireland and the people of the Irish Republic and especially their elected representatives and their Government. I should like to say that the people of Northern Ireland, are quite capable of defending their position. They have no apology to make for it, and are prepared in any debate to defend their stand heretofore.

But I should also like to say that this Parliament has no jurisdiction over the internal affairs of any of its members, and Mr John Hume knows that. Of course,

Paisley

I well understand his remarks, because we have debated these issues in Northern Ireland in the elected parliament and also in elected assemblies and conventions.

Let me say to this House that the majority of the people in Northern Ireland, in democratic elections not governed by the laws of their own parliament but governed by the laws of the United Kingdom Parliament, have said over and over again that they will not be a part of an all-Ireland settlement, that they will not be a part of the Irish Republic, and the wishes of the majority will be respected for the simple reason that you cannot steamroller a million Protestants into an all-Ireland republic. Of course, Mr Hume is on record as saying it is all-Ireland or nothing, and I must say in this House that that sort of statement is something which the majority that I represent in this House — and overwhelmingly represent in this House, as he very well knows — will not have.

But let us look at this subject. We have had terrorists coming out of the Irish Republic. They have committed acts of murder in Northern Ireland. On their way back they have attempted other acts of murder, and then when they have got over the border the Gardai has not been prepared even to arrest them. On one occasion, one of three was shot and died, and the other two got off without any trial whatsoever. It is that sort of thing that really riles the people of Northern Ireland, and I would welcome a longer discussion with the representatives of the Irish Republic on this issue so that they know exactly how the people that I represent feel and how they suffer through these things.

We are informed that 70 men wanted for dastardly crimes are at this present time free in the Irish Republic. Attempts to extradite them have failed in the courts. We have been told that the Irish Republic has constitutional difficulties. But I should like to hear the reaction from the representatives of the Republic about that part of the constitution which, in a state of emergency, can be appealed to so that other parts of the constitution that might be brought in can be laid in abeyance. Surely at this time, when people in Northern Ireland are being murdered — yesterday 11 bombs went off in the town of Lisburn, and that is practically a daily occurrence, as representatives should well know — when men and women are being murdered in any part of the Community, every other section of the Community should be prepared to do everything within their power to bring those responsible to justice. In view of the serious escalation of violence, in view of the fact that people of Northern Ireland have even been killed by gunfire coming from across the border, I make the plea to this House tonight that this is a matter that it should take seriously.

I would like to say to the President-in-Office that I hope he will realize the urgency of this matter and will impress it upon his colleagues. It seems a unique thing that I should address tonight a representative of the Irish Republic on this issue, but I would say to him: let him take back this message from the people of Ulster that we want to see our land rid of these terrorists.

President. — I call Mr McCartin.

Mr McCartin. — Madam President, I think it is a good thing that this question was brought, and I want to join with you in expressing my sincere sympathy to all the relations and all the dependants and all the friends of those who have suffered as a result of crimes of terrorism in any part of this Community, whatever the cause in which those crimes were perpetrated, and to say that I condemn without reservation all those who commit such crimes.

I agree that as Member States of the European Economic Community we should seek to work out common solutions to problems that affect us all, but the question tabled by Lady Elles cannot be considered in the narrow context of crime alone. We are all Europeans when we seek the aid of our fellow-members in providing solutions to our problems, but many of us become free and sovereign States when it comes to making decisions designed to protect and pursue our own selfish interests. I want to assert that no member of this Community has the right to demand our assistance in solving its problems, unless it is prepared to listen to our collective advice when we offer solutions for the causes which created those problems in the first place. Furthermore, we should be just as ready to debate the problems that arise in Member States and parts of this Community as we are when they occur in Central Africa, South America, or in the Far East, and I agree with John Hume on that point. Just as in the case of economic problems in this Community, we are prepared to say 'we will help, but there are conditions which you must establish to ensure that your problems do not recur'.

Extradition is one solution; I do not think that it is the best solution, and it has been found not to be the best solution in the European context. It can only work if there is complete trust between the Member States, if each of us is absolutely convinced of the good faith of his neighbour, if we believe that the processes of the law in its every stage, and particularly at the interrogation stage, will be carried out with the most scrupulous concern for the civil and human rights of the individuals involved, who, of course, may not be terrorists but only suspects. I hold the belief that we in the Republic of Ireland have worked out

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with our British neighbours a truly European solution to this problem, making it an offence under Irish law to commit certain offences in Northern Ireland and in Britain, crimes catalogued by Lady Elles at the start. However, I must say in reply to my friend and neighbour, Mr Paisley, that after three years no evidence has been presented to the Police Authority in Southern Ireland by the Police Authority in Northern Ireland which would enable prosecution to take place under this agreement between our two countries, even though both governments have stated clearly that they are satisfied that the maximum level of cooperation exists between the police authorities on both sides of the border.

Regarding the present European Convention on the Suppression of Terrorism which was not signed by my country because of its constitutional problems, what is not generally understood is the fact pointed out by Mr Lalor that so many other European countries have signed with so many qualifications as to make this agreement meaningless. I need not list the catalogue of countries already named. At present the Community has followed the example of Britain and Ireland and drawn up an agreement which I hope will be signed by all members.

Yesterday evening in the debate on the manufacture of armaments, my friend and neighbour, Mr Paisley, backed his argument by saying that a subcommittee of the United States Senate had decided not to supply arms to the police authority in Northern Ireland. They may have done this because there is a strong Irish lobby in the United States, and that is a legitimate political consideration for any group of politicians, but they were also prompted by their conviction that the police authority in Northern Ireland was not dedicated to the evenhanded enforcement of the law in the interests of every section of the community that they are supposed to serve.

I want to give you, my fellow Europeans, another illustration from my country, Ireland, of what we in this Community should aim for in our efforts to prevent crime. Fifty-five years ago an Irish leader stood up in the ruins of a War of Independence and a Civil War and said 'I will create a police force that will govern not only by the authority of the law of the land, but by the loyalty and respect of every citizen of our Community'. After fifty years we still have a police force in my country which does not feel the need nor see the need to carry arms, in spite of the fact that in the northern part of our country, in the area where Mr Paisley comes from, we have a festering sore which has created violence in every decade for the last fifty years. I am committed to European solutions to European problems, I believe that this Assembly should discuss the causes as well as the remedies and I agree that we should work together to suppress terrorism.

President. — I call Mr Ryan.

Mr Ryan. — Madam President, I would like to compliment Lady Elles on her introduction to the Oral Question. It was a well-balanced contribution, although I would briefly disagree with her on a point of law. I have seen the proposed resolution today with Mr Scott-Hopkins and Mr Bangemann. I have no strong objection to it, but I would suggest that it could be improved by a small amendment.

The point of disagreement which I have with Lady Elles arises out of her statement that there is, as I understood it—maybe I was not quite right, but this is how I understood it—no principle or rule of international law which recognizes a right not to be extradited in respect of a political offence. Now if I misunderstood her I am sorry, but certainly this is a well established principle of international law, and I would quote, as a fairly reputable authority, no less an expert than the British Solicitor-General, Sir Dingle Foot, who, speaking in the British House of Commons of the British Extradition Act of 1965, said, 'the exception relating to offences of a political character is thoroughly familiar and has been included in our extradition legislation since 1870'. I yield on a point of order ...

Lady Elles. — Madam President, I have been misquoted by Mr Ryan. What I said was, 'it must be clarified that there is no principle or rule in international law which forbids the extradition of a criminal' ...

Mr Ryan. — ... I think that Lady Elles will concede that I did state that I was uncertain about the exact words she used. I was quoting from notes made during her speech and I understood her to be referring to political offences. Certainly the right not to be extradited in respect of what is called an offence with a political character is well established in international law and it is respected in British law as well. I accept that there is considerable doubt as to whether some of the offences in respect of which extradition is not granted between Community States qualify for the description of political offences, but the deciding authority in such matters — this must be borne in mind, Members of Parliament — in any country which respects the rule of law, and that includes Ireland and the United Kingdom — is the courts. It is the courts and not the executive and not the parliamentarians who make that decision. That must not be overlooked. It may be an inconvenience, it may be an embarrassment, but in any country with a written constitution it is the deciding factor. In Britain too, such matters are determined by the courts and not by the politicians, be they government ministers or just Members of Parliament.

Ryan

The amendment tabled by Mr Scott-Hopkins and Mr Bangemann urges the governments of the Member States to move towards a common system of extradition in the fight against international crime and terrorism. I have no objection to that particular principle. However, I think that by confining themselves to the use of one instrument — extradition — they, in fact, weaken the fight against terrorism. What is needed is a system of common criminal law jurisdiction. As Mr Lalor has already explained, a country either extradites or tries a person for the crime. Extradition in its own way is a system which recognizes international boundaries. But because the terrorist does not respect international boundaries, I believe that the effectiveness of the fight against terrorism must not be curtailed by boundary restrictions. There are two ways of overcoming the limitation of boundaries: one is by extradition, which as I say, in itself contains an element of boundary recognition, and the other is by a system of common criminal law jurisdiction such as has existed between the United Kingdom and Ireland ever since 1976. But unfortunately, as has been pointed out, the British authorities have never provided the Irish security forces or the Irish courts with any evidence which would enable them to bring cases before the Irish courts and, if a conviction is secured, to sentence, imprison and punish those who have committed crimes of terrorism, not merely in the Republic of Ireland but as our legislation specifically points out, in the United Kingdom which includes, of course, Northern Ireland. The Irish authorities have, in fact, invoked that joint legislation, and as a result three people were convicted in Northern Ireland in respect of violent offences committed in the Republic. We are delighted with that result, but we would like to think that those who call for stronger extradition measures would understand that you can combat terrorism as effectively by a system of common law jurisdiction.

Madam President, because of time restrictions and for other and better reasons, I do not want to comment on everything Mr Paisley said. I want however to say this; I accept the good faith of the author of the resolution and of Mr Scott-Hopkins and Mr Bangemann. But neither in this Assembly nor anywhere can I, or anyone else accept the good faith of one of the greatest terrorists of our time, a man who commits terrorism with words and with sectarian hate, namely Mr Paisley. I'm sorry to say that a man is on the list of speakers who has encouraged people to commit acts of terrorism in the Republic of Ireland. We as parliamentarians must take seriously the fact that we have in our midst, people who are committing terrorism by words.

President. — I call Mr J. D. Taylor.

Mr J. D. Taylor. — Madame President, first of all I would like to thank you for the sentiments you

expressed when you introduced this debate this evening and I would also like to take this opportunity to congratulate Lady Elles on the way in which she presented the case. As a Member from Northern Ireland who was once Minister of Home Affairs, working with the police and security forces in the battle against Irish terrorism, it is natural that I should contribute to this debate. I was myself a victim of IRA terrorism in 1972 when they fired 17 bullets into my car, seven of which passed through my mouth and jaws. Madam President, I thus speak with experience of terrorism from several aspects.

The IRA campaign since 1969 in Northern Ireland has meant that over 2 000 people have lost their lives. This would be equivalent to 100 000 lives in the same period in countries such as France or Germany. I take this opportunity to place on record my appreciation of the courageous work of the Royal Ulster Constabulary and the security forces in Northern Ireland and also the police in the Republic of Ireland. However, my appreciation does not extend to a Southern Irish Government in Dublin which has consistently acted in hesitant and unhelpful manner in the matter of extradition. Throughout the years I have spoken out strongly in favour of extradition between Southern Ireland and Northern Ireland. And I have condemned terrorism from all sources.

Today Mr John Hume reduces himself to mean tactics by taking out of context from a statement of mine a sentence which gave a completely opposite impression to my consistent opposition to terrorism. In order to avoid misunderstanding or any internal Irish bickering in this House, which is the last thing I want and which I hope is the last thing the Southern Irish want to introduce here, I now quote from that statement so that the record may be clear and the quotation is this:

I utterly condemn terrorist actions by Loyalists, as it not only plays into the hands of the IRA propagandists, but it makes the task of our police and security forces even more tough, increases divisions within Ulster and enacts an immorality in the unnecessary taking of life and limb.

Today in the South of Ireland, Madam President, are several hundred terrorist suspects who are not residents of the Republic yet they walk freely in the streets of Dublin and they are wanted back in the United Kingdom. Indeed some 80 of these have been the subject for applications for extradition back to Northern Ireland, but in all cases the Southern Irish courts have refused these applications on the basis that the shootings, murders, etc. were mere political offences. Until there is this working arrangement between Northern Ireland and the Republic of Ireland on the matter of extradition, the South of Ireland will continue to be a haven of safety for wanted IRA suspects. Ireland is the only Member State of the EEC which has refused to sign the European Convention

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for the Suppression of Terrorism. Now, the South of Ireland is making play on the fact that it will sign the alternative EEC agreement on terrorism later this year. This alternative agreement provides that where extradition is refused by a country, the suspects should then be tried in that country. This will not improve the position in the battle against IRA terrorism in my island of Ireland, North or South, because we have already similar legislations in existence, but it has not worked in practice because the Southern Irish Government has refused permission for the United Kingdom police to interview suspects, jointly with the Southern Irish police in their own Southern Irish police stations. Without questioning, with no direct contact between the suspect and the police originally investigating the crime, there is normally insufficient evidence. So it is impossible for the Northern Ireland police to request the Dublin authorities to try in court a suspect for an offence which occurred in Northern Ireland. Accordingly, the proposed EEC agreement merely introduces to other EEC Member States a means of prosecuting suspects who have not been extradited, which already exists in both Southern Irish and Northern Irish law. The agreement in the context of Ireland is no improvement and it is no substitute for extradition as provided by the European Convention for the Suppression of Terrorism and which Ireland refused to sign on the grounds that it is contrary to the Constitution of the Republic of Ireland. I conclude by saying that the provision is not included in the Constitution of the Republic, and if they had the will to defeat the IRA, they would find the way to introduce extradition in their land.

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

Mr Davern. — Madam President, I think you have received a letter from the Alliance Party in Northern Ireland which gave the full and proper context of the statement made by John Taylor inciting loyalist paramilitaries to commit murder and arson in the Republic. Let it stand corrected in this House that he did, in that context, make the statement; you have it from a neutral body in a letter of protest to you.

President. — I call Mr Almirante.

Mr Almirante. — (I) Madam President, ladies and gentlemen, my country, Italy, is, as is well known, going through a serious economic crisis, but nevertheless it carries on an exceedingly flourishing import-export trade in terrorists. It is said that Italy imports its terrorists mainly from Czechoslovakia — highly placed members of the government of our country have said as much — and of course Italy is also exporting terrorists to almost every country, in some cases very distant ones and more often into the other Member States of the Community.

I am fully aware, Madam President, that in speaking in these terms against terrorists in general I am exposing myself to the rebukes of those Italian, but not only Italian, journalists, those Italian, but not only Italian, politicians, and those Italian, but not only Italian, parliamentarians, who seem to have very clear ideas of what is and is not a political offence and who believe, for example that murdering the late Aldo Moro constituted a political offence because the victim was an eminent politician, or that murdering, as happened the other day in Palermo, the former Communist MP, Mr Terranova, must also have been a political offence because he was a magistrate who was engaged in politics and at the same time a member of Parliament.

I confess that I have very unclear ideas on this matter: I have always believed that political offences were exclusively offences of opinion, offences resulting from some publication or another. I have never been able to believe that a crime becomes a political offence merely because its victim is a politician — which is virtually tantamount to a death sentence on entire political classes in our countries. But it is the case. People even go as far as to involve the right of asylum and therefore to oppose even more tenaciously the extradition of terrorists who are regarded as politically motivated because they have murdered or attempted to murder politicians.

The situation is much more serious than has been so far recognized by other Members of this House, even by those who have expressed sentiments similar to mine. I want to mention two cases of exporting terrorists or presumed terrorists from Italy to the Community, for example to France. In France there lives in complete freedom a certain Mr Bonavita, who, in 1974, was editor of the official newspaper of the Red Brigades — in Italy, you see, the Red Brigades had their own official newspaper called 'Counter-Information'. On 17 June 1974 — I give you the exact date — the Red Brigades committed their first serious crime. It was in Padua: they invaded the offices of my party and murdered two fellows who, incidentally, were quite extraneous to the whole business. This was called a political crime. Mr Bonavita, who was editor at the time of the Red Brigades' newspaper, 'Counter-Information', apart from providing during the following month of July all the details of the crime committed in Padua and accepting responsibility for it, said that it had been a case of 'technical error', inasmuch as the intention was only to steal lists of members of my party from the party's headquarters. They happened however, to stumble upon these two unfortunates, who were disposed of with a classic bullet in the back of the neck.

And now, again in France, we have the Piperno case. I do not know whether Piperno is guilty of what he is

Almirante

accused of; however, the Italian authorities believe that he may have been involved in the murder of Aldo Moro. But the right of asylum is still applicable and no one wishes to hand over to Italian justice a man who may end up in the dock. By this I do not mean to say that alleged criminals should therefore be condemned *a priori*; but I do maintain that they should not be shielded from their natural judges, that is to say, from the courts of their own country, because the countries of this Community — unless proof be provided to the contrary — are free, democratic countries.

Having been in opposition in Italy for thirty years, and having suffered political discrimination and persecution, I could speak in a quite different manner, but I also have the right, along with all my friends in my party, to express myself thus because when we were taken before the courts for offences of opinion, or supposed offences of opinion, we voluntarily renounced our parliamentary immunity because we wished to show our innocence in the only possible way: by freely appearing before the courts!

Consequently, Mr President of the Council, your declarations — and this is not your fault — seem to us insufficient and evasive. Nevertheless we take note of the fact that during this second part-session the Strasbourg Assembly has dealt with two fundamental topics in two important sittings, the external and internal security of Member States. There is no chance of guaranteeing external security if we cannot first guarantee internal security. For this reason let those who speak in defence of the sovereignty of Member States take note of the fact that there is no sovereignty without the certainty of the rule of law and that the certainty of the rule of law is undermined and traduced by those who, on the pretext of exercising the old and mediaeval institution of the right of asylum, detain in their own countries, and therefore protect and defend, terrorists or presumed terrorists, who are enemies of our civilization and the enemies of Europe.

President. — I call Mr Gendebien.

Mr Gendebien. — (*F*) Madam President, I should first like to make a remark on a procedural matter. I consider that we are competent in this area in spite of the opinion of the Council of Ministers, and I am referring in this context to the answer to a written question which it gave in the Official Journal of 30 July last. In this, the Foreign Ministers considered that the matter which we are discussing this evening did not fall within the competence of this Parliament.

In my view the first argument refuting the Ministers' view is that, by agreeing to answer Lady Elles' ques-

tion this evening, they are in effect recognizing our competence. Secondly, it is my opinion that Parliament is automatically competent in any matter discussed by the Council of Ministers.

I want to be quite clear on the principle: we obviously support an effective fight against terrorism, which we totally condemn. However, on the occasion of this debate, I think it useful to recall some elementary truths, and firstly the fact that the end can never justify the means, even in the fight against terrorism.

Europe, which boasts of having invented human rights, is not exempt from the risk of backslidings and shortcomings in this field, and the temptation may be felt in some quarters to enact emergency legislation.

The danger may arise from the imprecise borderline separating what is called terrorism from political crime or even, in extreme cases, from straightforward political opinion.

Consequently, while it is necessary to protect our democracy against the assaults of terrorism, it is necessary also to protect all the liberties, the rights, the attainments of European civilization, in particular, the right of political asylum. If we were not to do this I fear that the creation of a European judicial area would very rapidly become an antidemocratic gesture and a step backwards in relation to our traditions.

What specific alternative proposal do we then put forward? We propose the establishment of a legal system which would completely replace the competence of national courts in the judgement of political offences and crimes.

To this end should be set up a European Court, independent of States and based on the jury system, should be set up to try all political offences and crimes perpetrated on European Community territory. Such a system would also mean that extradition between European States for political offences and crimes would be totally abolished, each State undertaking to have its citizens, like those of other EC States or non-EC states, tried by the said European Court.

In my view, it would be to the advantage of Europe if our proposal were implemented, since Europe's reputation will be enhanced, not by the creation of a police 'Internationale', but rather, Madam President, by the establishment of legal machinery guaranteeing absolute respect for democratic principles and true defence of rights and liberties in all circumstances.

President. — I call Mr Ferri.

Mr Ferri. — (*I*) Madam President, ladies and gentlemen, what I have to say may appear superfluous, since the position of the group of which I have the

Ferri

honour of being a member has been set out by Mr Sieglerschmidt and since I am in complete agreement with everything he said. Nevertheless, I hope I may be permitted to voice one or two reflections in my capacity as an Italian Member of this Parliament, that is to say, a representative of a country which has been and still is particularly badly plagued by terrorism. This is not the place or the time to attempt an analysis of the phenomenon of terrorism; that would take far too long. All the same, it is a fact that at present there is a common thread running through the different manifestations of terrorism in Europe, namely that terrorism is particularly serious in those countries that were restored to freedom and democratic life after the Second World War, a little more than 30 years ago, or, which like Spain, have only recently been restored to democracy and which have had tragic experiences of oppressive and totalitarian regimes.

It is not my intention, Madam President, to deal with specific problems; however I do wish to say that in Italy the democratic State is fighting and defending itself against terrorism with the almost agreement of the constitutional political parties and that this struggle is being carried out with full respect for fundamental human and civil rights, and with due regard for the rule of law and the fundamental freedoms of a democratic state. I am firmly convinced that this is the line which my country is pursuing, even if some hold contrary opinions, which in my opinion are based on insufficient information or insufficient good will. It follows that we feel no less strongly than those who have spoken earlier the need for maximum possible cooperation and agreement between democratic States in the struggle against terrorism, which not only claims human lives but is part of a subversive campaign designed to overturn the democratic system itself and even our civilization. Understanding and cooperation are needed not only at Community level, but also at a much broader European level. Unfortunately, however, as my colleague Mr Sieglerschmidt has reminded us, only three Community countries have so far ratified the European Convention on the Suppression of Terrorism, though it is not inertia or mere pretexts which have led to this situation. The truth is that there is a problem, as Mr D'Angelosante has capably pointed out before me, concerning the definition of political offences. Apart from the fact that it is part of the democratic tradition, the principle that extradition may not be carried out in the case of political offenders is expressly provided for in the Italian Constitution. It is of course true that the concept of political offences needs to be more accurately defined and that it is probably not enough, to justify refusing extradition that a common law crime or offence has political motives and aims, particularly when it is committed in a democratic country which guarantees and protects human rights and thus the right to opposition, that is to say the right to oppose by legal means a regime considered inappropriate and unjustified. But this is not an easy problem to solve

and it must be tackled with a great deal of courage and a great deal of good will, and — I want to lay particular emphasis on this, Madam President — at the same time with full respect for human rights and the values of liberty and democracy. Our Parliament expressed the wish that the Community as such should sign the human rights Charter and should draw up a similar charter guaranteeing the rights of the European citizen. And amongst these rights we should not forget the rights of the accused person, whether at liberty or in custody; these are fundamental rights which must be respected. We know that this struggle is difficult and it is all the more difficult if we wish to carry it out and at the same time safeguard the values and the principles of freedom and democracy. Tacitus said before us: 'malo periculosam libertatem' (I prefer liberty with all its dangers). He knew that freedom involves risks and dangers and nevertheless he chose liberty. We too have chosen liberty and democracy and we intend to wage together, thoroughly and decisively, the struggle against terrorism. At the same time we do not wish to be compelled to tamper with the fundamental values of liberty and democracy in order to be able to frustrate the subversive aims of those who wish to destroy our society.

President. — I call Mr van Minnen.

Mr van Minnen. — (NL) Madam President, I feel I must backtrack a little in this debate and approach the question from a different angle. We are speaking far too much and much too superficially, about terrorism and far too little, and again far too superficially, about the rule of law which we claim to uphold and about the Convention which is, after all, what this debate is all about. My main purpose in speaking here on behalf of Dutch and Belgian Socialists on his suspect question by Lady Elles is to explain that we have grave reservations about the ratification of this Convention, which is being held up as a panacea for all ills. We shall also raise these reservations when we come to discuss the matter in our national parliaments. For this reasons alone, it is extremely unrealistic to act as if the outcome of this debate in the national parliaments was a foregone conclusion and that all that was needed was three cheers from this House.

On the contrary, and fortunately, in my view, not everybody agrees that this Convention in its present form must obviously be the right way of approaching the problem. The devastating criticisms of this Convention by prominent lawyers have, at least as far as we are concerned, made mincemeat of it from the legal point of view, and if we consider the problem from the political point of view, which is naturally what we are doing here, we must make three observations, which are indissolubly linked.

Van Minnen

Firstly, it is surely not unreasonable that agreements should be made with a view to bringing serious criminals, who can just as well be called terrorists, to justice. Secondly, this Convention itself contains a certain reservation, i.e. Article 13 which states that a suspect does not have to be extradited if his act is regarded as a political offence. However, this means that it is absolutely essential to define exactly what is meant by concepts such as 'political offence' and 'terrorism'. My third point is a very fundamental one, and relates to the fact that in various parts of our Community there are apparently some very hair-raising ideas about what is meant by development of the rule of law, and which are in fact having the effect of increasingly undermining the rule of law. We have had all kinds of statutory amendments which have done little to promote the rule of law in the countries in question, and which have, to say the least, put us very much on our guard.

And now we see that no less a person than the President of the Fifth Republic has been philosophizing a little at his famous meeting of Heads of State and Government around the open fire concerning a judicial area within the Community, which would mean that you would no longer have to bother with so many formalities, and that extradition would become a much more straightforward affair since you could simply hand over individuals without more ado.

Indeed, this judicial area should, according to him, even be independent of and have precedence over the Convention. To my amazement, I see that the President-in-Office of the Council does not regard this as a joke in bad taste, but is taking it seriously too. In brief, I must say that we are quite honestly extremely disturbed and doubly on our guard at the moment. So much remains to be settled concerning the wording, not to mention the intentions, of this Convention that our reservations continue to outweigh our preparedness to revise the entire principles of the rule of law in our countries.

President. — I call Mrs Castellina.

Mrs Castellina. — (*I*) Madam President, permit me to make one preliminary observation. In view of the way this debate has developed, dealing as it has particularly with the situation in Ireland I should have liked Mr Blaney to speak in my place. He represents a very large constituency which borders on Ulster. I asked permission for this and I think it should have been granted, because the reason why Mr Blaney did not put down his name this morning to speak was that at the very moment that it was being decided who would speak this afternoon Mr Blaney was chairing the meeting of our group in order to decide who should speak for us.

You are well aware that a procedure of this sort, even if convenient, is founded on a gentlemen's agreement

and not on the Rules, which permit Members to speak at any time before the debate has been officially closed. Consequently if you ask you — as it is right you should — to arrive at a common-sense agreement in order to speed up our work, I think that you, in turn, ought to have acceded to a similar common-sense request, that is to say my proposal that my speaking time — should be given to Neil Blaney, since this would not have prolonged this debate.

I expect that in saying this I have probably used up the few minutes allotted to me. Nevertheless, I wanted to say, apropos the problem of extradition, that it is constantly reiterated, not only in this Assembly but in other places as well, that democracy can only be defended with more democracy. And I think that this is a principle which we should do well to apply in every case and in every circumstance. As regards the substance of this debate, I do not believe, for example, that the fact that no-one knows who takes part in the meetings of the Ministers of the Interior of the Community, or what is said at these meetings and at other similar meetings in which the Convention on Extradition and similar problems are discussed, is very helpful in the struggle to foster trust in democracy. I am very suspicious of meetings where nothing is revealed of what went on. And if we really want to create a European judicial area, I think that the best contribution we can make to ensuring that this European judicial area is a genuine and democratic one, is to bring greater openness to the discussions which are taking place throughout Europe with a view to defining this area. For all these reasons I shall vote against the motion which has been put forward to conclude this debate, because there is not even one allusion, not a single one, to the need to guarantee democratic principles, and I should not like people to forget — in the process of fighting a battle which must be fought efficiently — that the limitations that were placed upon the practice of extradition were intended to protect political rights which I think we should all pledge ourselves to protect, in the future as well as today, and it seems a serious omission to me that there should not even be a single allusion in a resolution of this kind to these rights.

President. — I call Mr Chambeiron.

Mr Chambeiron. — (*F*) Madam President, ladies and gentlemen, like many other speakers, I believe that no cause, whatever it may be, can justify itself by recourse to criminal acts. Consequently, I repeat the firm and unequivocal condemnation of terrorist acts made by my friend and colleague Mr Ansart, at a debate here in Luxembourg in April 1978.

I am aware of the importance of this problem and I am not sure that any examination of it should be

Chambeiron

restricted to its administrative or legal aspects. It has been recalled that it was at the initiative of the President of the French Republic in 1977 that references was first made to a European judicial area, which, it was said, would help in the fight which democrats must wage against the dangers threatening them.

Need I say that, when it is a question of defending democracy and liberties, my colleagues and I have always been and will always be present in the field? But the fear which reigns at present amongst a large portion of the public is that the stated will to fight terrorist actions is only a pretext, under the present conditions of economic, social and moral crisis in our society, to limit the democratic liberties and fundamental human rights of those whom we wish to defend.

In our opinion the fight against terrorism implies principally a strengthening of democracy and an improvement of civil liberties. This is why we would have liked to have a clear description of the nature of the dangers which, in the opinion of the President of the French Republic, threaten democracy and democrats. If I refer only to what is happening in my own country, some recent events are much as to justify my concern. Thus, for instance, when a teacher in France, Mme Lamblin, is the subject of disciplinary measures because she expressed her opinion on the declining quality of the education which it is her responsibility to impart, can one consider that such free exercise of her citizen's rights, guaranteed by the Constitution, is a threat to democracy? Is it not disquieting to read in a newspaper of the Federal Republic of Germany that the action of French seamen and workers protesting against the sale of the liner 'France' to a foreign country was a form of terrorism? Can it seriously be maintained that the fight against terrorism must necessarily involve the systematic opening of mail, the tapping of telephones or the keeping of political files on civil servants in the Community?

The President-in-Office of the Council said just now that a group of senior Community officials had examined two instruments with a view to the creation of a European judicial area. The first text is an agreement between the Member States of the European Communities on the application of the European Convention on the Suppression of Terrorism and the second text is a preliminary draft convention on cooperation in criminal matters which would apply not only to terrorist acts but to a broad range of offences of a certain gravity.

According to what has been said, the first agreement would be designed to make the Strasbourg Convention of 27 January 1977 compatible with the constitutional provisions of certain Member States. The question which I ask is the following: is this not just an expedient to make the Convention compatible with the most restrictive forms of constitutional law?

As regards the preliminary draft convention on cooperation in criminal matters, we would like to be assured, principally as regards extradition — and here I have in mind the Croissant case — that the traditions of political asylum in certain countries will not be called into question.

Similarly, it would be desirable to know what is covered by the expression 'offences of a certain gravity'. We support a democratic legal system which increasingly meets citizens' requirements, a legal system which is more respectful of freedom. It is obvious that if and in so far as the legal system were to be standardized, were to conform to supranational standards, it would rapidly be cut off from necessary and indispensable democratic control. By using a neutral instrument, it would apply everywhere in identical manner, that is, it could no longer be discussed, a situation which for us is unthinkable. We say quite bluntly: we don't want such a form of justice. We condemn terrorist acts most certainly, but we are not prepared to accept the creation of a European judicial area. We will defend freedom to the bitter end. . . . Wherever it may be necessary we will work to strengthen legal guarantees, which in our eyes are inseparable from democratic liberties and human rights.

President. — I call Mr Pannella.

Mr Pannella. — (I) Madam President, anyone listening carefully to us would really have the impression that terrorism arises as a spontaneous historical phenomenon and that none of us in this Chamber — whatever our political persuasion — has anything to do with it. It has been said that violence as a means of furthering political aims must be rejected. Personally I am convinced of this. We in the Radical Party are scrupulously non-violent and we have often ended up in prison because we have resisted State violence, without ever having used violence ourselves.

I should like everyone who speaks here, whether of the Left or the Right, to ask himself or herself whether recourse to violence, in some cases as a means of furthering political aims, is not a part of his or her own family album, and indeed whether some of the snapshots are not very recent — for instance, violence used to achieve national independence or revolution — right-wing revolution or, like ours, left-wing revolution. I should also like to say that this mediaeval right of asylum has survived right up to the present day. One of the techniques used by violent States is to treat every opponent and every dissident as a lunatic or a terrorist. We ought therefore to be concerned about the mechanisms of law in States governed by the rule of law — not those serving *raison d'état*. I think that many people confuse responsibility towards the State with *raison d'état*, and the rule of law with the right which those in power claim to brand their opponents as criminals.

Pannella

I think we must point out quite firmly that the word 'terrorism' also includes State terrorism in our Nine Member States. Italian judges have declared unequivocally in their judgements relating to the worst cases of State-inspired slaughter that Government officials have covered up and even encouraged the worst outrages that have taken place in our country. Italian Members of this House will know that the reports of trials in Italy — for example, the Catanzaro and Peteano cases — confirm that at the highest levels of the State and at the highest levels of the security services there were apologists and champions of terrorism, and that the same people often went to the length of inventing imaginary terrorists in order to protect the real ones.

Let us have as many judicial areas — municipal, European and cosmopolitan — as we like, but only on condition that within the confines of this area there should be defence of the rule of law, defence of the right of an accused person to be presumed innocent, and defence of the rights of the public *vis-à-vis* those in power. The whole problem is to decide what *kind* of area we want.

Lady Elles, I greatly admired your speech, but I have one concrete question: what would happen if States were to submit extradition papers, as the Italian Fascist State tried to do in the case of its opponents living in France in the thirties, in order to have them extradited as 'terrorists'? We know that those papers were false, and that even today fabricated papers arrive in Paris from our own democratic States. I therefore hope that in this European area, as in those national areas in which we have hitherto lived, sometimes sadly and sometimes happily, the rights of all will be respected.

President. — I call Mr Andrews.

Mr Andrews, President-in-Office of the Foreign Ministers, — Madam President, I shall be as brief as reasonably possible having regard to the large number of contributions that have been made. I shall try to reply to as many of them as possible.

I have listened with very great interest indeed to the various contributions this debate, and I think it is fair to say that the efforts of our societies to combat terrorism are of great concern to our different peoples, and the Nine have undertaken to cooperate closely on this issue. In that regard may I complement the honourable Member, Lady Elles, for bringing this subject to the attention of the European Parliament.

(Applause)

Her own contribution has been helpful, and I think the debate itself — with one or two exceptions — has been helpful, and I am most deeply grateful to the House for giving me the opportunity to reply.

Extradition, as I have said, is an important aspect of cooperation between the Nine. What is at stake is an

effective means of bringing terrorists to justice, and ensuring that we do so in a way that safeguards the human rights of all our citizens. Lady Elles has done well to highlight the issue in this Parliament.

I have outlined in my reply to the question as to what the Nine are doing to ensure the effective application of the European Convention on the Suppression of Terrorism. I am pleased that during the Irish Presidency my country is taking an active and leading role in trying to arrange for a speedy signature of the agreement of Nine. I should now like to turn to the very reasonable questions posed by Lady Elles: First, Lady Elles asked when the text of the agreement will be made available publicly. The answer to that is that as soon as the agreement has been formally opened for signature, the text of the agreement will be publicly available.

The second question from the honourable lady was: when will the agreement of Nine be ratified? Again, as I have mentioned in my reply to your question, I hope that all of the Nine will sign the agreement during the Irish Presidency, perhaps in October in Dublin. As President, we have proposed that date for formal opening for signature, and hope to be in a position before long to indicate the result of our consultations with our partners. After signature the usual ratification procedures will be necessary, as you would appreciate, in accordance with each State's domestic procedures. I cannot say exactly when ratification will be completed, as this is dependent on how fast national procedures, as I have already stated, can be implemented. All of the Nine, however, are conscious of the urgency of the issue and will, I am sure, make every effort to complete the ratification procedures speedily.

The lady questioner asked thirdly whether all Member States must ratify the agreement before it enters into force. The position here is that the agreement provides that it shall enter into force three months after the deposit of the instruments of ratification, acceptance or approval by all the Member States.

Finally, you ask, Lady Elles, how Greece and the other applicant members of the Community might be associated with this agreement. The answer is pretty well self-evident, but for the record of the House I should say that the question of Greece and the other applicant states becoming parties to the agreement has not yet been fully discussed by the Nine. This, of course, is a matter that will have to be considered at a later stage in the context of progress towards full membership of the Community by these countries.

On the general debate itself I would like to say how much I have been impressed by the contributions. Many speakers, including Mr Sieglerschmidt, Mr Scott-Hopkins, Mr D'Angelosante, Mr Lalor, Mr Hume, Dr Paisley, Mr McCartin, Mr Ryan, Mr Petronio and

Andrews

others have made forceful contributions. Some of them have made a moving demonstration of across-the-board Community solidarity against the modern phenomenon of terrorism. I am grateful to the Parliament for its timely support for the efforts of the Nine to intensify our cooperation and to make our efforts more effective in that regard.

Mr Haagerup referred to constitutional difficulties that could hinder the effectiveness of the extradition arrangements I think the same point was made in a different way by Mr Sieglerschmidt. I would quote the last two sentences of paragraph 2 of the draft reply emphasizing that it gives effect to the principle of trial or extradition *aut dedere aut judicare*.

The quotation in my opening reply to Lady Elles: the agreement regulates on the basis of that convention the position of each Member State of the Nine, taking into account whether or not a Member State has signed or ratified that convention or whether or not a Member State has made or intends to make a reservation to that convention. It does this in such a way as not to infringe on the constitutional requirements of any Member State.

Mr Abens referred to the need to maintain human rights and liberties, and I think his contribution was a very worthy one indeed, and was very acceptable to this House. This is very important. I think, in the constant battle being waged against terrorists and the philosophy of terrorism. We have to be prepared to take the necessary strong measures, but in such a way that they do not undermine the foundations of our democracy. This is why cooperation among the Nine is essential so that societies can respond in concert to the threat of terrorists and terrorism.

May I reply then in my personal corporate capacity as Minister of State for Ireland, and speaking as Minister of State for Foreign Affairs for Ireland, may I refer to Mr Hume's speech. Mr Hume suggests, Madam President, that Parliament might discuss the problem of Northern Ireland at some future date. And significantly Dr Paisley — and this is where there is an area of agreement, significantly, between Dr Paisley and Mr Hume — significantly, Dr Paisley supports Mr Hume in our efforts to treat this as an urgent matter within the Nine, possibly to be discussed within this very Parliament itself. I would like to say, on behalf of the President-in-Office that the Community has the potential to contribute to the elements of a solution to this problem.

However, Mr Paisley does unfortunately commit a number of errors during his usual eloquent, articulate way of putting across his message. Nobody can take that from him, but I would like to draw his, and indeed the House's attention, to a number of errors which he expounded during his contribution. He said that 70 men are going free in the South of Ireland:

this is simply not true, and what he said about attempts made to extradite them is also not true. There are remedies in my country for the problems, if these problems in fact existed; let me, if I may, just outline one of them very briefly: The Criminal Law Jurisdiction Act came into force on 1 June 1976. The provisions of this act are based on the principles that we were discussing at this very time: *aut dedere aut judicare*: try or extradite. It exists, that particular act, in the statute books of the Government of Ireland, although the act has been in existence since 1976, in no case — not one case — has evidence been presented to the Garda Síochána, the police force in the South of the island, by the police force in the north of the island, the Royal Ulster Constabulary, that would lead to the prosecution of persons in the South of offences under the extraterritorial provisions of that particular legislation.

And I may say, not referring to either Mr Paisley or his colleague, Mr Taylor, that in relation to security, the Government of Ireland spends proportionately more on security than does the Government of the United Kingdom. The facts are there: the spillover of violence from Northern Ireland, the maintenance of large numbers of security personnel in border areas, general increases in security personnel numbers, the provision of additional equipment and the replacement and improvement of existing equipment) and other related factors, have resulted in a massive increase in expenditure on security since 1970. In the period 1970-79 there has been an almost six-fold increase in expenditure on security and security-related matters, which, notwithstanding the effects of inflation over the same period, represents a massive real increase in financial commitments. Very briefly estimates for the department of justice, the Irish police force, prisons and courts in 1970-71, were £17.5 million; in 1979, they were £99.4 million. That represents an increase of 568%. Estimates for the department of defence are: 1970-71, £22.9 million; 1979, £131.8 million, representing an increase of 578%. So much for security.

Mr Taylor, if I may refer very briefly to him, does not understand, or wish to understand, what extradition is about. I believe Mr Taylor suffers from the well-known political disease of invincible ignorance. The record has been set correct consistently in relation to extradition by the Taoiseach, the Prime Minister of my country, by the President-in-Office, Mr Michael O'Kennedy, and again this evening by Mr Paddy Lalor. The suggestion by Mr Taylor that terrorists walk freely in the city of Dublin is an outrageous remark, a despicable untruth. There is a situation where there is good cooperation between the police forces of the North and the South, and we in the South are determined to pursue that cooperation within the context of our own laws, and within the context of our own constitution.

Andrews

To conclude my reply, Madam President, I am confident that this problem will continue to receive a high priority among the Nine, so that our joint efforts to combat terrorism can be carried out effectively while maintaining full respect for our great European tradition of human rights. In the context of the Government of Ireland, the Government of Ireland is determined to confront terrorism on its territory, whether that terrorism originates in Northern Ireland, in Southern Ireland, in Eastern Ireland or Western Ireland.

President. — I call Lady Elles.

Lady Elles. — First of all I want to thank the President-in-Office of the Foreign Ministers meeting in political cooperation for the reply that he has given to my oral question. I would also like to thank all those who have taken part in the debate and who have accepted the spirit in which I opened this debate and put the question which is of concern to all Members of the Community who are, after all, concerned, not only with talking about but also with the protecting of human lives. That is surely the most important issue.

There are three specific points Madam President that I must just touch upon very very briefly. First of all, the question of a Community zone for criminal jurisdiction is one which we shall undoubtedly be discussing at a later date, though Members will realize the difficulty of continental law and common law countries coming to a satisfactory meeting-point. Secondly, I would recall to Mr Van Minnen one of the clauses of Article 13 of the European Convention on the Suppression of Terrorism. When evaluating the character of a political offence, one of the serious considerations that any government has to take into account is whether it has affected persons unconnected with the motive behind it. Unfortunately so many of the acts of terrorism that have been perpetrated in our Community have done just that.

There is an issue that I had not wanted to raise Madam President. However, since the President-in-Office — regrettably but very understandably — also replied in his personal capacity, I will deal with the question of the general principles of international law. I have a note, regrettably Madam President, written on a piece of paper headed Airey Neave, DSO, MC, MP who was a colleague of many of us in this House, referring to the refusal to ratify or sign the European Convention on the grounds that the Convention is against the spirit of the constitution. Only in February 1977 in the Irish Times, Michael O'Kennedy, then in opposition, stated that whatever reasons the coalition government had for not signing the European Convention on Terrorism, the constitution was not one of them. Constitutional lawyers were amazed to hear the Government assert blandly that the Constitution prevented them from signing the European Conven-

tion. I regret to have to raise this Madam President, but in view of the spirit in which the debate has taken place I felt I had to say this. Nevertheless, Madam President, I am grateful for the debate, I think we have had a useful contribution, and I hope that we will all in our own Member States work for the suppression of terrorism.

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

Mr Paisley. — Madam President, I would like you to rule, whether it is in order for the President of the Council to make statements in this House that fly in the face of the facts. And I would like to say in the name of the Ulster people that I hurl back in his face tonight the lie that he has told. For there is no doubt that wanted murderers are walking the streets of Dublin.

(Protests)

President. — That was not a point of order, Mr Paisley.

Mr Paisley. — It was a good British point of order.
(Laughter)

President. — To wind up this debate, I have received from Mr Scott-Hopkins, on behalf of the European Democratic Group, and Mr Bangemann, on behalf of the Liberal and Democratic Group, a motion for a resolution with request for an early vote (Doc. 1-399/79/rev.).

The vote on the request for an early vote will take place at the beginning of tomorrow's sitting.

The debate is closed.

14. Agenda

President. — I call Mr de Ferranti on a point of order.

Mr de Ferranti. — Madam President, the last item on our agenda tonight is the oral question with debate on the freedom of trade within the internal market (Doc. 1-289/79). A rough estimate of when this might be discussed, Madam President, would indicate that we would be debating it at perhaps one or two o'clock in the morning. My colleagues who tabled the question, and Commissioner Davignon as well, are agreed that it would be wrong for a subject as important as this to be debated so late at night. I would ask you to accept a motion from me, Madam President, that we should cancel the debate tonight and that the question should be held over until the next part-session in the hope that it can be discussed at an hour of the day which would be appropriate to this most important subject.

President. — Since there are no objections that is agreed.

15. *Sheepmeat*

President. — The next item is the joint debate on

— Oral question with debate (Doc. 1-297/79) by Mr Pranchère, Mr Piquet, Mr Maffre-Bauge, Mrs Le Roux, Mr Gremetz, Mrs Demarch and Mr Martin to the Council :

Subject : Draft Community regulation on sheepmeat

The draft regulation on sheepmeat drawn up by the Commission of the European Communities would have the effect of reducing by 30 % to 40 % the selling price of sheepmeat in France and of increasing France's trade deficit in sheep products.

But for the determined stand taken by the French sheep-producers' organizations, the Council of Ministers would undoubtedly have adopted the draft as it stood on 20 June 1979. The Council must be aware that, had it been adopted, the consequences would have been extremely grave for sheep farmers in several Community countries, particularly in France.

Would the Council not agree, therefore, on the urgent need to reject firmly this draft regulation and consider measures that would :

1. assure the small and medium-sized sheep farms of guaranteed prices and an income consistent with national production costs ;
2. impose levies on all imports of sheepmeat and put a stop to the deflections of trade, with particular reference to imports of live animals from third countries ;
3. ensure that the burden of the cost of aid to producers in other European countries is no longer borne by the French consumer ?

— oral question without debate (Doc. 1-311/79) by Mr Maurice Faure to the Council :

Subject : Agricultural market organizations and sheepmeat

The Treaty of Rome explicitly provides that the replacement of national agricultural market organizations by a common organization is subject to the condition that living standards and employment levels in the sectors concerned are safeguarded.

What steps does the Council intend to take in respect of the market in sheepmeat to ensure that these conditions are fulfilled ?

I call Mr Pranchère.

Mr Pranchère. — (*F*) Madam President, ladies and gentlemen, the draft Community Regulation on sheepmeat has caused deep disquiet and real anger in France among producers and in farming circles.

In many towns in France, large protest meetings have already demonstrated the resolute and massive opposition to the adoption of this very ominous proposal.

Only yesterday, 35 000 producers demonstrated in the centre and south-west of France. I was among these people who were making a stand and I can bear witness here to their determination.

This proposal is profoundly antisocial, since its adoption would mean the disappearance of thousands of holdings and would ruin sheep farmers. It is also economically unsound, because a massive influx of sheepmeat onto the French market would immediately throw the whole meat market dangerously off balance. In addition it would increase the French external deficit in sheepmeat, a deficit which is already approaching 1 000 million francs. This deficit cannot be allowed to increase further.

France is the largest sheepmeat consumer in the common market. Thus it is French consumers who support sheep producers in the whole Community. These consumers risk being made dependent on the decisions of some British multinationals and the monopoly prices which they impose.

At the same time French sheepmeat production has to compete with consignments from New Zealand coming in via the United Kingdom, with imports from member countries and with notorious trade deflections to the advantage of a small number of multinationals — seven at most — backed by British capital, which have a monopoly on 80 % of world trade and pocket 60 % of the wholesale price obtained in Europe for New Zealand lambs. This regulation, which will permit even more rapid entry of New Zealand lamb, is thus contrary to the principle of Community preference which we claim to defend here.

The concept of fixing a European price on the basis of a compromise reached by virtue of granting premiums is therefore extremely dangerous. Firstly, the increase in imports would inevitably result in a drop in prices and the ruin of thousands of farmers. Secondly, the granting of a compensatory premium to producers would reduce the latter to the position of dependants, without solving the real problem.

By refusing to consolidate customs' duties at the borders, one is giving multinational companies the opportunity of invading the most important consumer markets, in particular the French market. Furthermore we hear voices here saying that the cost of the common agricultural policy is too high, but these voices are consistent, since they also support a proposal which in point of fact will increase the Community budget, on the one hand by refusing to impose higher customs' duties, and on the other by paying premiums to producers. Producers for their part wish to live from their work, not from some subsidies, which in fact they are being given to induce them to adopt a proposal which they reject. They wish to live and they wish also to enjoy greater dignity.

Pranchère

This is why we resolutely reject this proposal. We support the struggle carried on today by producers and their organizations, because the policy which is proposed is extremely damaging to them. For years, in this House and elsewhere, we have heard promises and five speeches on regional balance, but this proposal, were it to be adopted, would turn French sheep-rearing regions into wasteland. For years the farmers have been promised everything imaginable, but their income is falling year by year and this proposal would further aggravate the already very difficult position of thousands of producers, leading them in the end to desert the land and join the ranks of the unemployed.

At the last meeting of the European Council of Agricultural Ministers, chaired by the French Minister, Mr Méhaignerie, the full determination of producers and their organizations was needed to prevent this pernicious proposal from being adopted. Today a decision must be taken, one which is dictated by common sense, by the interests of producers and of France. This proposal must be rejected and the French Minister should veto it. We defend here the French producers who refuse to let themselves be dictated to by some British multinationals and 'gentleman farmers'. At the same time we also defend France's right to have a system of agriculture and stock-farming which is worthy of its tradition and its potential.

President. — I call Mr Faure.

Mr Maurice Faure. — (*F*) Madam President, it is obvious that this debate is not as far-reaching as the previous one, in that it deals with the agricultural sphere and, more especially, with one of its more specific production areas: that of sheep production.

Let me remind you that the situation in this sector is quite an unusual one in the Community.

Firstly, there is no surplus in this production area, either current or foreseeable; indeed the Community produces only two-thirds of its requirements.

Secondly, for the main part only two countries, Great Britain and France, are engaged in sheep farming on a sociological scale. I am the first to acknowledge that the sociological background to this sphere of production in these two countries is marked by traditional differences of a fundamental nature.

England engages in extensive, low-cost production and sheepmeat is consumed on a large scale in that country; moreover it is supplemented by substantial imports, at even lower prices, from New Zealand.

In France, sheepmeat is a high quality, even luxury, product, sold at prices which are undoubtedly higher, but which have enabled a balance to be achieved both with regard to certain holdings and certain regions. I must admit that I find it difficult to understand the United Kingdom's insistence on changing a situation

which, in short, as it is today, could satisfy both parties. Unless, since in any case England also has a deficit in this product, its tactic is to call for new regulations for the Community market in sheepmeat, while its true purpose is to profit from the price increase which would accrue to it, to sell British home-produced meat on the French market, and evidently supply itself almost exclusively from the New Zealand market.

In fact New Zealand is prepared voluntarily to limit its sales on the Community market. This is why we cannot under any circumstances accept the proposals as presented by the Commission, as debated within the Committee on Agriculture and which have already been the subject of initial discussions within the Council of Ministers. We cannot accept it, because what is at stake — this has already been said and it is true — is the survival of numerous family holdings, the survival of the poorest regions of our country, which are beyond doubt unsuited to any substitute agricultural activity. What I regret, consequently, is that we should be raising problems where we could very easily avoid doing so.

However, if there are to be new regulations for the market in sheepmeat, they must be based on the principles which prevailed at the organization of other large Community markets, namely Community preference, financial coresponsibility, the fixing of guide prices and intervention prices which take account of cost prices, particularly on the French market. It would be too simple to reduce the organization of an agricultural market to a straightforward system of free trade in products, forgetting that the Treaty of Rome — the letter and spirit of which I can perhaps invoke with some justification here — had provided that a national market organization could only be replaced by a Community market organization if the latter offered the same guarantees as regards employment and living standards.

To conclude, Madam President, I will say that, while not excluding totally the regional aspect of this problem, and in particular the specific aids both for smaller holdings and for those which work under very difficult geographical conditions (I am thinking here of mountain and less-favoured areas), we cannot under any circumstances accept a system of premiums, which moreover is proposed as provisional — which is the same as saying to people that they will not be crushed immediately but later, in five years — a system of premiums which could undoubtedly increase the budget for the Guarantee Section of the EAGGF which most members here already find excessive; for this reason alone we cannot accept it. However, I believe that you should focus your attention on the proposals which I made just a moment ago; they could in any event meet both the requirements of the European spirit which must animate our

Faure

Community and those very legitimate demands of the producers on behalf of whom I have just raised this question.

President. — I call Mr Andrews.

Mr Andrews, *President-in-Office of the Council.* — The proposal on the common organization of the market in sheepmeat was submitted to the Council by the Commission on 31 March 1978. It was subsequently forwarded to the European Parliament which, on 14 September 1978, delivered a conditional favourable opinion inviting the Commission and the Council to consider a number of suggestions and reservations, and to introduce various amendments pursuant to Article 149 of the Treaty.

Since that date, detailed study and examination of the proposal have continued at both technical and political level, and recently the Commission appeared to be preparing to study certain amendments to its original proposal.

The problem in this sector is that of successfully reconciling a variety of preconditions. These include: the need to maintain the earnings of producers in Member States, without such a guarantee proving an excessive burden on the EAGGF; to avoid too great price increases in the Member States where sheepmeat is widely consumed; to ensure supplies in these Member States of meat originating in the countries which have entered into GATT undertakings.

In any event, the repercussions of the adoption of the proposed regulation on selling prices in the various Member States have been given careful study in the course of the preliminary proceedings. However, as other aspects of consequence still required more thorough examination, the Council was unable to adopt the regulation at its marathon meeting from 18 to 22 June 1979. At that meeting it none the less agreed to intensify its work on the Commission's proposal so that decisions could be taken before the 31 October 1979.

It was in this spirit that at the Council meeting on 18 September 1979 further progress was achieved and details of inter-Community arrangements, premiums, aid for private storage, etc., and arrangements for trade with third countries, with the Commission being requested to open preliminary talks with the major countries supplying the Community, and on financial aspects of the matter.

Work has been actively continued in the Council framework in order that the necessary decisions may be taken by the Council in good time. I trust, Madam President, that this reply to the question put by Mr Pranchère and his colleagues has also provided the information called for by Mr Faure in his question.

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

Mr Clinton. — Madam President, I have been close to the problems in the sheepmeat sector for a number of years, and I hope that the comments I propose to make can be both brief and to the point.

Sheepmeat problems concern in particular France, Ireland and the UK, while, of course, the other Member States have an interest also. My understanding has always been that full members of the Community would have free and unrestricted access to all Community markets without exception for all products.

(Applause)

Free movement of goods is a fundamental principle of the Treaty of Rome, and may I say that the Court decision announced yesterday entitles all Member States to free access to Community markets. Having said this, we have got to recognize and appreciate the effect that unrestricted access to the French market would have on French sheepmeat producers and on Irish sheepmeat producers also, who have had the benefit of French prices for the past two years.

In my view, we would have a common organization of the market agreed years ago were it not for the annual imports by the UK of approximately 250 000 tonnes of sheepmeat from New Zealand. There is the well-founded fear of the French that giving unrestricted access to United Kingdom producers would substantially reduce prices on the French market, and that the shortfall on the British market would be made good by additional imports of New Zealand lamb. We have to remember too that Article 43 of the Treaty makes provision for the protection of Member States adversely affected in this way. The circumstances are such in this case, where efforts have failed over a number of years to get agreement on a common organization of the sheepmeat market.

I feel that this directly-elected Parliament should now make firm and urgent recommendations to the Council of Ministers to get agreement by 31 October by providing adequately against disruption of the markets in individual Member States. This, in my opinion, can only be done by making the same intervention and other arrangements as have always existed for cattle and beef. Since the rate of self-supply is only about 65 %, the cost to the Community will be very small indeed.

If we are to make progress towards European unity, we shall have to renew our efforts to solve outstanding problems of this kind which lead to unnecessary friction and which can be removed at small cost to the Community.

Clinton

We should bear in mind that the producers we are concerned to protect are among the poorest in the Community. They are also people whose land is of such a quality that it is rarely possible for them to switch to any other type of production. Sheepmeat is one of the few products not in surplus in the Community, and production should be encouraged by guaranteeing prices and bringing badly needed stability into this sector. Otherwise income will have to be provided for these people by some form of supplemental income; that is the wrong way to do it, as has already been said, because it robs these people of their dignity and their independence.

You will note that I have not discussed the payment of premiums and the possibility of voluntary or other restrictions on imports as a means of reaching agreement on proposals for a common organization of the market. Nor have I spoken about private storage. Control of imports must of course be part of any regulation, and in my opinion attempting to settle on the basis of premiums and private storage will lead to endless argument and no regulation. Private storage in Ireland at the present time is not an acceptable business, because the rate of interest on borrowed money is a minimum of 17 %.

As I have said, this problem has been for too long the cause of undesirable division, especially in the Council of Ministers, and I would like to conclude by appealing to my colleagues to remove any reservations they may have had and give their agreement to the type of approach I have recommended in the few words I have had to say.

But before I finish, I want to inform the Members of the Parliament that during the years 1973 to 1977 inclusive, sheep numbers in Ireland were reduced by half, owing to the uncertainty and instability of prices arising from the opening and closing of the French market, and by the raising and lowering of a variable levy by France, depending on the level of prices on the French market. We cannot suffer a further serious reduction in prices arising from extra British exports to France, while they continue to import large quantities of New Zealand lamb; and, as the weakest member of the Community, we feel entitled to the type of protection I have mentioned here.

President. — I call Mr Provan to speak on behalf of the European Democratic Group.

Mr Provan. — Madam President, this debate is a natural follow on from yesterday's judgment in the European Court, and I must congratulate the authors of this question on their timing. But there must be no doubt that France has been failing to fulfil its obligations under the Treaty of Rome. France has been applying illegal barriers to trade, and these must now be removed.

We in the United Kingdom have had our markets severely disrupted. We do not want to flood the

French market with sheepmeat. Sales to France rose after our entry into the Community; they rose to 19 000 tonnes in 1977, but fell to 10 000 tonnes in 1978. Our farmers this year, after one of the worst and longest of winters, are now suffering real rapid and substantial falls in sheep prices. Our governments are going to have to hold a review this autumn because of the serious problem. The French authorities must open the market, as the UK did after a judgment in the European Court regarding potatoes. We opened within 13 days, and I hope the French authorities will do the same.

(Cries of 'Hear!, hear!')

We must ensure a single market for agricultural produce, as Mr Clinton has just said; that is one of the original purposes of the CAP. Our aim must be to create a structure that renders protectionist measures superfluous. Any policy must therefore differentiate between income support, which only maintains inefficiency, and what will serve a useful role for the Community as a whole. That is what we must encourage.

This question calls for guaranteed prices consistent with production costs for producers. We cannot contemplate, Madam President, a sheepmeat regime with intervention or guaranteed prices. We cannot contemplate it because of the cost of the CAP and therefore the cost to the EEC budget as a whole. On this I agree with Mr Andrews. We are not self-sufficient in sheepmeat. A sheepmeat regime, as proposed in Document 56/78, would appear to come closer to the basis for discussion than we have seen before. There are still many, many problems within the terms of this document, but let us hope that they can be resolved before Christmas.

The second point of the document refers to imports: we as a Community need to import 36 % of our sheepmeat. We must make proper and secure arrangements for our imports for the benefit of the consumer and for stability.

The third point on the question paper I find extraordinary. The French housewife, in fact, is supporting her own producers, and not supporting anybody else in the Community.

President. — I call Mr Caillavet on behalf of the Liberal and Democratic Group.

Mr Caillavet. — *(F)* Madam President, the remarks made by Mr Pranchère and friend Maurice Faure allow me to be extremely brief, more particularly since I share the views which they both presented. In this area we are in actual fact discussing the interests of an almost marginal market representing 1.3 % of final Community agricultural production. However, it is a sector which as Maurice Faure stated, represents a

Caillavet

factor of regional, social and economic equilibrium, since in our less-favoured areas sheep production is an indispensable element in the stability of the family farm. And we Liberals do not understand the haste of British members to introduce a market organization in sheepmeat, unless of course such an organization were to adopt the traditional rules of the common market, namely the three essential elements: levies, guaranteed prices and financial co-responsibility. However, what is proposed to us by the Commission runs counter to our deepest aspirations. I cannot understand why the Commission, which was already aware of the decisions on Mr Herbert's report taken by the old Parliament, which had previously rejected all the Commission's proposals, today, ignoring our comments, repeats those same proposals which we have rejected.

This is why we ask for more comprehension on the part of the Commission when it has to draw up new proposals. Because, — and I will conclude here — our principal intention is to defend an original form of production, one which is indispensable and complementary to the rights and interests of the less-favoured areas. This being so, we could not countenance a situation in which sheep producers would be unable to increase their incomes, with the result that the flight from the land would become more pronounced.

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

Mr Davern. — Madam President, this debate on the situation regarding sheepmeat in the European Community comes at a time when the future of sheepmeat production is at a crossroads. For many years sheep producers have been denied the rights and guarantees enjoyed by producers in other agricultural sectors. Sheep producers and the trade in sheepmeat have had to rely on national organizations of the market where they existed, and *ad hoc* arrangements between Member States. Only yesterday the Court of Justice of the European Communities announced its decision on a major aspect of the EEC sheep market. This affects a market which we had enjoyed for the past two years. The lack of a common EEC organization of the market, the diverse nature of the national market situation throughout the Community, the significant impact of imports of sheepmeat from third countries and the inadequacies of the proposals submitted by the Commission, have all contributed to the general chaos in the sheepmeat sector.

If one is to single out a particularly significant factor in this case, it is fair to say that the Commission had adopted an unnecessarily complicated approach to solving the problems of the sheepmeat sector in the long term. Its original proposals were to establish a temporary regime. So inadequate were these proposals that they were doomed to failure and indeed were

eventually thrown out. The most recent proposals, which are now under consideration by the Council of Ministers, are again inadequate and persist in putting forward a highly discriminatory solution. By this I mean that sheep farmers are denied the traditional common market organization that their colleagues in beef, milk, cereals, etc. have been receiving for many decades. The notion of income subsidies rather than the guarantee of a fair price for their produce reduces sheep farmers to the category of second-class citizens. Income supports of any kind can be soul-destroying, particularly for farmers who wish to modernize and improve their methods of production. In this respect the system of premiums is false economy. While it may provide producers with an adequate income, it will contribute to perpetuating an antiquated structure of sheep-rearing in many parts of the Community, particularly in the mountain and hill regions where sheep production is concentrated.

The Council of Ministers is now under pressure to decide on a common market organization for the sheepmeat sector. In reaching a decision, which should not be delayed, it must be guided by what is fair and just. It must not allow itself to be intimidated by the topical preoccupations of some Member States. It should remember that the decision it takes must and should last for a long time. It should also note that the Parliament which preceded this Parliament clearly rejected the basic proposals put forward by the Commission as being unfair and inadequate. What is essential in the final analysis is that the sheepmeat producers are given a fair income for their efforts. Clearly the best way of doing this is to give them the same guarantees as other producers.

In addition, the Community must take courageous steps to sort out once and for all the problems arising from imports from third countries. In that context I would like to say how deeply shocked and surprised I was by the alleged comment of the New Zealand Prime Minister this morning, when he implicated the British Prime Minister in saying that the common agricultural policy was a bad thing and would have to go. I wait to see if there will be a correction of that. For too long we have allowed unreasonable rights to third-country producers to the detriment of our own farmers, whereas the whole basis of this market must be to look after our own Member States first. If we do not do that, then we have not established a proper foundation on which to build economic relations. Our first responsibility is to our own people.

I conclude therefore, Madam President, by appealing to the Ministers to find a solution which will provide a lasting and equitable structure to the benefit of both producers and consumers of sheepmeat throughout the EEC.

President. — I call Mr Buchou.

Mr Buchou. — (*F*) Madam President, this debate, which may seem minor compared to those on certain more wide-ranging subjects, is none the less of special importance because, first of all, survival of tens of thousands of European holdings, in particular French holdings, depends on it, and, secondly, it implies a denial of the principles of the common agricultural policy on which point I should like to make a general comment. I along with others have noted that since the beginning of this sitting, two positions have been expressed on the problems of the common agricultural policy: one rigid position, upheld by the United Kingdom members, and a position supported, it would appear by most of the other Community countries. I would earnestly hope that in future, for the sake of the work of this House, we can avoid engaging in trench warfare on this problem of the common agricultural policy, with a permanent confrontation between, on the one hand, the views of our friends and colleagues from the UK — put with that persistence which is their strength — and, on the other, those of the rest of the Community. I hope that in the near future, we can have a discussion in this House on the principles underlying the common agricultural policy and that an opinion can emerge on them, instead of constantly referring to their less important, apparently secondary aspects which would have the cumulative effect of destroying the foundations of the common agricultural policy. This is a suggestion which I make to the House because I think it would be of benefit to all.

For our part, with a constancy which will not vacillate, we point out once again that all the principal forms of agricultural production in the Community must be organized in accordance with the basic principles of the Treaty of Rome which provided the basis for the common agricultural policy: free movement within the Community, the adoption of a common economic frontier *vis-à-vis* non-member countries and a common organization of markets and prices providing the same guarantee to all producers. Since they are not based on these principles, the current proposals for the organization of sheepmeat markets offer very inadequate guarantees offer to French producers, in particular as regards imports of sheepmeat from Oceania which come in via various European countries. This is why we in France must maintain our national market organization until the Community has prepared a regulation granting producers guarantees equivalent to those which they enjoy at present.

President. — I call Mr Andrews.

Mr Andrews, President-in-Office of the Council. — Madam President as I made clear in replying to the oral questions tabled by Mr Pranchère and his colleagues and Mr Faure, the problem of developing a Community sheepmeat policy is that of reconciling a variety of preconditions which involve, among other things, maintaining the earnings of producers in

Member States without placing an undue strain on Community finances, avoiding burdens and price increases in those Member States where sheepmeat is widely consumed and ensuring supplies in these latter Member States of meat originating in countries which have entered into GATT undertakings. The debate here today has shown, if demonstration was needed, the difficulties which the Council faces in reconciling these divergent views and interests. While, as I indicated when replying to questions put down to the Council, there are various compelling reasons for reaching an agreement at an early date, yesterday's judgement of the Court of Justice in the case involving the Commission and the French Republic has given an added impetus to the need to reach such an agreement at an early date.

The Council is now intensifying its work on this matter so that the necessary decisions can be taken before 31 October next. It would be facile on my part, Madam President, to suggest that it will be easy to reconcile the different interests involved in this matter. Your debate today has shown this. I can say, however, that the Presidency will make all possible efforts to bring to a conclusion in good time the difficult work which is underway on a common organization of the market in sheepmeat.

President. — I call Mr Pranchère.

Mr Pranchère. — (*F*) Mr President-in-Office of the Council, your reply has confirmed for me the dangers facing our French sheep producers. In fact, you have practically refused to consider any re-examination of the problem. And I believe that the producers in our country have now only one recourse: to demand that the French Minister for Agriculture, Mr Méhaignerie, use his right of veto in the discussions which will take place. This is what the French Communists demand.

This is a question — let us not mince our words — of life or death for tens of thousands of French sheep producers. How many of the 150 or 200 000 farmers involved will be sacrificed to the interests of the seven British import-export multinationals? This would be another very hard blow directed at regions already ravaged by the crisis of the capitalism system.

I must inform you that the producers are resolutely, even fiercely determined to defend themselves. I was witness at Rodez to the reaction of 20 000 demonstrators when one of their leaders said to them: "If necessary we will demonstrate outside our frontiers"; the enthusiasm was widespread.

I believe that these producers are right, because they feel that their farming organizations have made proposals which not only are consistent with the interests of French producers, but also — our debate has already shown this — are not contrary to the interests of other Community countries. Unfortunately, the Commission's reply has been negative. The choice is very clear: the choice lies between French producers

Pranchère

and the interests of the multinationals. French producers are becoming increasingly aware that what we told them during the election campaign of 10 June, namely that we are dealing with a Europe of multinationals, is true, and this example provides ample confirmation. And now, after Europe of the multinationals, they are being threatened with Europe of the courts to condemn them to annihilation. This we do not and we will never accept; we will energetically support the struggle of our producers so that they have the right to live and work on the land, to live in a Europe which they want, a Europe of the workers and not a Europe of financial speculators.

President. — I call Lord Harmar-Nicholls on a point of order.

Lord Harmar-Nicholls. — Is it within the conventions of this Assembly that Members of it should be encouraged to completely ignore the European Court of Justice's decision instead of wanting in the proper way to put a case which would cause an appeal to make...

President. — I am very sorry, but I must ask you to stop, since you are not raising a point of order.

To wind up this debate, I have received from Mr Davern and Mr Buchou, on behalf of the Group of European Progressive Democrats, a motion for a resolution with request for an early vote (Doc. 1-333/79/rev.).

The vote on the request for an early vote will take place at the beginning of tomorrow's sitting.

The debate is closed.

16. *Practical measures to help South-East Asian refugees*

President. — The next item is the oral questions without debate by Mr Romualdi, Mr Almirante, Mr Buttafusoco and Mr Petronio to the Council (Doc. 1-292/79) and the Commission (Doc. 1-293/79):

Subject: Practical measures to assist the Vietnamese refugees and other peoples in South-East Asia

What practical steps have been taken to assist the Vietnamese refugees and other people in South-East Asia who are now being savagely persecuted, and to help rescue them from the appalling conditions under which they have for too long had to live, virtually abandoned to their own devices and to the brutality of their oppressors? Has not the Community a moral duty, before the world at large, to condemn the political regimes responsible for what is plainly an attempt to exterminate a defenceless people?

Finally, who is to blame for the difficulties that have so far prevented and still apparently prevent — leaving aside some generous individual efforts — the drawing up and immediate execution of an effective and systematic emergency plan involving all the governments and peoples of our European Community?

I call Mr Almirante.

Mr Almirante. — (I) Madam President, we have tabled this question to draw the attention of the European Parliament and the Community to a problem which has been much discussed in recent weeks. All I want to say is that I am pleased that this question was placed on the agenda without delay and trust that the answer to it will confirm its validity and importance.

President. — I call Mr Andrews.

Mr Andrews, President-in-Office of the Council. — The Community, Madam President, has made considerable efforts in terms of both food aid and emergency financial assistance to remedy the disastrous situation of refugees and displaced persons in South-East Asia. It also took part, as regards matters falling within its jurisdiction, in the recent Geneva Conference on Refugees from South-East Asia, which was held to a large extent at the instigation of Member States. Furthermore, it intends to continue making every effort to reach solutions which are commensurate with the scale of the problem and are such as to restore to the people concerned their human dignity, which has greatly suffered in their tragedy.

Since 1977, a total of more than 8m EUA of food aid, including 5.07 EUA in 1979, has been channelled to international organizations. In February 1979, the Commission granted 5m EUA of financial aid to the Office of the High Commissioner for Refugees in support of its activities on behalf of the people affected. Shortly before the Geneva Conference, the Council allocated 8 000 tonnes of rice and 1 500 tonnes of skimmed-milk powder to the Office of the High Commissioner for Refugees. Finally, at its meeting on 24 July 1979, the Council confirmed the following commitments entered into by the Community at the Geneva Conference, which are in addition to these measures already decided upon and will be channelled through the United Nations High Commission for Refugees: the supply of 20 000 tonnes of rice to cover 50 % of the needs until February 1980; the supply of 1 500 tonnes of skimmed-milk powder; the provision of 10m EUA for the UN HCR general programme; and the allocation of 2 700 tonnes of rice for Cambodian refugees. At the same meeting, the Council also decided to provide for a provisional appropriation of 4m EUA for Cambodia, both for persons refused entry by Thailand and for those remaining in Cambodia in disastrous living conditions. Finally, the Council proposed to re-examine the problem of food aid for Vietnam in the light of the report to be made by the United Nations Secretary-General to the General Assembly on the implementation of the conclusions of the Geneva Conference.

Andrews

The Member States of the Community also participated at the Geneva Conference on South-East Asian refugees and displaced persons. As for the specific efforts of individual Member States, the information for each country is as follows.

Belgium: approximately 2 500 refugees have already been welcomed; approximately 3 000 refugees are expected. The cost of Government programmes amounts to Bfrs 80 000 per person resettled under these programmes. The resettlement of refugees expected in the near future thus represents an expenditure of approximately Bfrs 160m.

Denmark (data for 1979): approximately 900 Indo-Chinese refugees have already been welcomed or are expected, of whom 100 were recently saved at sea. Dkr 40m have been donated in aid to South-East Asian refugees.

Germany: 1 300 places for refugees have been offered by the Federal Republic of Germany, and DM 30m allocated for Indo-Chinese refugees.

France (data for 1979): 64 270 refugees have arrived and some 7 000 more are expected, and about FF 800m have already been spent on their reception and resettlement.

Ireland (data for 1979): 58 refugees have already arrived and 150 more are expected. A special contribution of £ IRL 250 000 has been donated to the United Nations High Commission on Refugees.

Italy (data for 1979): about 1 700 Indo-Chinese refugees have arrived or are expected, 900 of whom were rescued at sea; Lit 1 000m has been spent on their reception and resettlement.

Luxembourg (data for 1979): about 55 Vietnamese refugees have arrived or are expected; a similar number of refugees is expected before the end of the year. About Lfrs 1m have been allocated so far for the reception of refugees.

Netherlands (data for 1979): about 1 900 Indo-Chinese refugees have arrived or are expected, of whom 700 approximately were rescued at sea; 14.64 million guilders have been allocated for their reception and resettlement.

United Kingdom (data for 1979): 3 775 refugees have arrived and a further 10 911 are expected. Between 1975 and 1979, the United Kingdom contributed £ 3 163m sterling to special efforts on behalf of Indo-Chinese refugees under the aegis of the United Nations High Commission on Refugees. In 1979, the United Kingdom contributed £ 3.5m to the general programme budget and undertook at the Geneva meeting to make a further £ 5m sterling available for the South-East Asian refugees problem over the coming twelve months, subject to the approval of Parli-

ament. In addition, expenditure on the reception and resettlement of refugees has been incurred within the United Kingdom by both central and local government.

President. — I call Mr Cheysson.

Mr Cheysson, Member of the Commission. — (F) Madam President, the President of the Council has already provided the most important statistics in answer to the honourable Members' question.

I would like to remind you that the measures taken by the Community are all part of a general programme of food aid totalling 640 million units of account in 1979, and aimed particularly at helping large numbers of refugees in other parts of the world.

When the situation in South-East Asia grew more serious that the successive measures listed by the President of the Council.

Just let me remind you of the extent of the problem. Before the Geneva Conference, we had reached the point where some 50 000 refugees were leaving every month, making a total of some 400 000 'in transit' — that's a euphemism — about half by sea, the other by land. Decisions were therefore taken, and the President of the Council has given you the figures, so there is no need for me to repeat them.

In the second half of his speech the President of the Council illustrated the considerable efforts made by the Member States to take in refugees. As a matter of fact, I think — and I took the liberty of drawing Parliament's attention to this point during the first part-session — it should not be forgotten that it is the situation of the refugees in transit which most shocks public opinion. The departure of the refugees must be organized as humanely as possible, and as you know, that is the most important result to have emerged from the Geneva Conference, given that the Hanoi Government promised in Geneva to come to an agreement with the Office of the United Nations High Commissioner for Refugees on a plan allowing for the provision of shelter for the refugees in the country of departure until the conditions in which they are to be received have been arranged.

Further, it was also decided in Geneva that the countries of first refuge would receive an assurance concerning the final destinations of the refugees and some commitments were in fact made — the President of the Council has told us of the offers by Community Member States — and other countries also promised to receive refugees. At the Geneva Conference firm commitments to accept a total of 260 000 refugees were received from the countries who sent delegates. Madam President, we would of course like to do more, and this is the point of the Oral Question. Unfortunately, we are often prevented from doing so by pressing obligations and by objec-

Cheysson

tive difficulties beyond our control. A moment ago the President of the Council mentioned the granting of 4 million EUA for medical and first-aid programmes, in Cambodia the kind of aid which is undoubtedly more necessary there than anywhere else in the world, when you consider the wretched, indeed horrifying situation in which these people find themselves. And I cannot stress often enough to this Assembly that we are anxious to provide as quickly as possible, via international organizations whether governmental or non-governmental, the minimum aid necessary for the survival of these people who are dying, who are literally starving to death. We already have appropriations, obviously not enough, but we will increase them as soon as possible. What we need now is permission from those in control of Cambodia at the present time to go directly with this aid to those who need it so desperately.

Having said that, Madam President, I cannot refrain from commenting on some of the expressions contained in the Oral Question which you will permit the Commission to consider somewhat extreme. Of course there are difficulties, and I have just mentioned the difficulty of gaining entry to Cambodia and giving direct aid to the dying, but to say that 'leaving aside some generous individual efforts', these difficulties have up to now prevented 'the drawing up and immediate execution of an effective and systematic emergency plan' — that Madam President, is simply not true, thank goodness! This is borne out by the figures the President of the Council has provided. Moreover as a result of the Geneva Conference, 260 000 refugees will find permanent homes in a certain number of countries and \$ 190 million has been set aside for the refugees as a result of the same Conference. To say that there is no effective aid plan is therefore a distortion of the facts which I could not let go unchallenged.

Having stressed the falsity of this statement, Madam President, I can afford to ignore the expressions 'savagely persecuted', 'brutality of their oppressors', and so on. What are we trying to do? Do we want to help these refugees to survive or well and truly condemn them to death by insulting those on whom we depend if the aid is ever to reach the refugees?

President. — I call Mr Almirante.

Mr Almirante. — (I) Madam President, on behalf of my group, and particularly of Mr Romualdi for whom I am deputizing for a moment, I thank the President of the Council and the Commissioner for the very exhaustive technical replies which they were kind enough to give us. We noted with interest a statement by the President of the Council, which we think and hope we have understood correctly, about the reservations of the Council of Ministers on the desirability of the programme of aid intended for the Vietnamese Government.

As for the last part of the Commissioner's statement, quite frankly it seems to us somewhat out of place. His reply on this subject was exhaustive and courteous, but he could have spared himself the comment, since what really took place was a large-scale attempt at genocide by the Hanoi Government, fortunately counterbalanced by the generous and reasonably timely action ...

(Repeated interruptions by Mr Pajetta)

... Pajetta, save your antics for the Italian Parliament. Stay in your seat, because there are people here fortunately, who know to their cost what Communism really means. So here you'd better keep quiet...

... Madam President, I apologize, but I was interrupted by a boor while I was expressing myself in a perfectly correct manner.

As I was saying, then, in our view Mr Cheysson indulged in pointless polemics in the last part of his speech. However, we take note of his exhaustive and timely reply to our oral question.

President. — The debate is closed.

17. *Italo-Tunisian bilateral fisheries agreement*

President. — The next item is the oral question with debate (Doc. 1-299/79) by Mr De Pasquale, Mrs Barbarella, Mr Papapietro, Mr Fanti and Mrs Squarcialupi to the Commission:

Subject: Italo-Tunisian bilateral fisheries agreement

On 19 June 1979 the Italo-Tunisian bilateral fisheries agreement signed in 1976 expired, and failure to renew it is creating serious hardships and dangers for the Sicilian fishing fleet.

The extension of the Community's fishing zone in the Atlantic and in the North Sea to 200 miles has resulted in the transfer to the Community — from 1 January 1977 — of competence to regulate and guarantee the maintenance of the fishing rights of Community fishermen even in the waters of third countries.

1. Why did the Commission not initiate talks with the government of the Tunisian Republic in time to conclude EEC-Tunisian negotiations before expiry of the bilateral agreement?
2. Is not this dilatoriness due to underestimation by the Commission of the vital importance of Sicilian fishing to the economy of Sicily and of Italy, especially by contrast with the zeal shown in concluding analogous agreements involving the interest of other countries of the Community?
3. What are the proposals which the Commission put to the Tunisian Government in the contacts initiated in December 1978?

President

4. What stage have the negotiations reached ?
5. Does the Commission foresee a rapid conclusion of the negotiations, to put an end as early as possible to the harmful and extremely dangerous interruption of Sicilian fishery activities in Tunisian waters ?
6. If the Commission is not in a position to conclude the agreement at once, does it consider it desirable to authorize the Italian Government to negotiate the renewal of the expired bilateral agreement directly with Tunisia, as was done with Yugoslavia ?

I call Mr De Pasquale.

Mr De Pasquale. — (1) Madam President, we insisted that this oral question should not be postponed in view of the special importance which it is assuming at this precise moment. In fact, a very serious crisis in the social and political life of Sicily has just come to a head. We have heard that Cesare Terranova, a distinguished judge, a former independent member of the Italian Parliament elected on the Communist ticket, and a sworn enemy of the old and new Mafia, has been assassinated in Palermo, together with his bodyguard. We have heard that yesterday the population of Mazara del Vallo, the port from which the majority of Sicilian fishing boats operate, in desperation invaded the town hall. These two facts show how tense and distressing is the general social background to the problem before us. Members of the Council and Commission, you must bear this in mind. I think you know that a week ago the entire Sicilian fishing fleet decided to return to port and not to put to sea again until the situation was clarified. The sailors and skippers no longer wish to risk their lives and liberty. Such a widespread and authentic protest has never occurred before. We have reached breaking point. The responsibility for this state of affairs rests squarely upon the European Community and the Italian Government. The last bilateral Italo-Tunisian agreement, which allowed a number of Sicilian fishing boats to fish in Tunisian waters, expired on 19 June 1979. But, from 1 January 1977, on the basis of the well-known decisions of the European Council meeting at The Hague, the competence to conclude fisheries agreements with third countries was transferred to the European Community. The competent departments of the Community have thus had a good two-and-a-half years to begin negotiations and conclude them in good time, without leaving fisheries questions in the Mediterranean in a confusing legal limbo. However, in this period the Council and the Commission behaved as if the matter did not concern them — as if Sicily were not part of the Community. This omission is all the more serious since, in the same period, the Community did everything in its power to solve similar problems in the North Sea, the Atlantic and elsewhere, and assumed heavy responsibilities. With regard to the Sicilian fishermen, however, it has shown the most complete lack

of interest ! But, worse than this, the fisheries problem was not even taken into account in the cooperation agreement between the European Community and Tunisia, which came into force on 1 November 1978. Why was an agreement made with Tunisia on so many subjects, from tariff concessions to the import of agricultural products, from technical cooperation to the treatment of workers, without the fisheries aspect being included ? Would this not perhaps have been a favourable opportunity to solve this acute and thorny problem in the context of a general agreement ? The sad truth is that the Community authorities when dealing with fisheries, forgot about relations with Tunisia, and when dealing with relations with Tunisia forgot about fisheries. In the meantime, four men have been killed at sea and many others injured, and ships with their crews are being arrested nearly every day by Tunisian, Libyan or Maltese patrol boats. Twenty-three fishermen from Mazara del Vallo are imprisoned in Tripoli, sentenced to two and a half years in jail. This sorry incident has aroused considerable public feeling throughout Italy. Now another eight fishermen from Syracuse are imprisoned in Malta. All these events, accumulating over the years, have aggravated the situation to the point of the present stalemate. The losses for Sicily are great, for the Mazara fleet alone represents 50 000 tonnes, has a turnover of more than a hundred thousand million lire, provides work for 5 000 families and supports at least 15 related enterprises in Sicily, a region with very high unemployment.

The Italian Government, for its part, is by no means above reproach, for it has never called on the Council and Commission of the Communities to face up to their responsibilities, nor has it proposed solutions. Not until July 1978, a year and a half after the transfer of competence to the Community, did the Italian Government raise the question in Paris in the political cooperation framework. This was a weak *démarche*, a mere formality, so much so that it was never repeated. And yet this matter is of great national importance, since the Sicilian fishing fleet is the largest in Italy, while the trade balance of our country shows an absurd deficit in this sector.

We deplore such behaviour, but we certainly do not want to confine ourselves to recriminations. After doing nothing for so long, once the bilateral Italo-Tunisian agreement had expired and the situation became really tense, the Commission at last showed signs of life.

On 26 and 27 July of this year Mr Gundelach visited Tunis. This time it seems that the representative of the European Community went to discuss not only problems arising from the Cooperation Treaty with Tunisia but also fisheries questions and that, at long last, he placed these questions in the wider context of European-Tunisian cooperation. We are pleased that

De Pasquale

this has occurred, albeit belatedly. But now, two months later, we think it of the greatest importance that the Commission should tell us what Mr Gundelach achieved in Tunis. What offers did he make to the Tunisian Government? Was he able to ascertain and negotiate on the conditions put forward by the other side for the fisheries agreement which the Community has the duty to conclude? And further, since we are heading for a revision of the EEC-Tunisia cooperation agreement, does the Commission intend to raise the problem of fishing in Tunisian waters forcefully in the context of that revision? And in the meantime, in view of the urgency of the problem and the complexity of the negotiations, have temporary solutions of the kind authorized for relations with Yugoslavia, for example, been considered? Were questions concerning the Italian Government's responsibilities raised, and, if so, what questions? There is talk of a Tunisian protest about oil prospecting operations by ENI in waters disputed between Tunisia and Libya. Is this true? If so, what is the Italian Government's reply? It is clear that we cannot keep on passing the buck, or allow this uncertainty to drag on for years without taking a decision. Unfortunately, up to now we have been told very little about the results of Mr Gundelach's visit. Even Mr Jenkins, during his recent visit to Sicily, was rather evasive. But the questions we are putting require exhaustive replies. We want to know whether, in contrast to what has occurred in the past, the Council and Commission are now firmly determined to solve the problem not only of relations with Tunisia, but also of those with Libya and Malta. While we were able to ask for information on Tunisia because, for good or ill, negotiations are in progress, on Libya and Malta we are not in a position to ask for any information, since the Community has not even thought of starting negotiations. But who should be concerned with negotiations with Libya and Malta? Obviously, the Community. Why, then, has it not thought of starting them? It is unnecessary to repeat here how much in Europe's interest it is to develop cooperation and friendship with the Arab peoples and States bordering on the Mediterranean, but it is worth reminding you that this is even more in the interest of Sicily — the largest island in the Mediterranean — which is a part of the Community, and the nearest to the Arab world not only geographically but because of historical traditions dating back a thousand years. It is on this scale that we must tackle all the outstanding problems, including that of fisheries, which can certainly be solved fairly while taking account of the aspirations and rights of the Arab countries and of Sicily.

From this viewpoint — and we should be aware of this — the problem of fisheries is a testing-ground for the European Community in Sicily. It has now acquired great political importance going beyond the limits of economic interest, since all the Sicilians, who took part enthusiastically in the European elec-

tions, are waiting to discover whether the Community is capable of expressing a political will consistent with the principles of European solidarity and whether it has the strength to safeguard, within the framework of cooperation with the Third World, a vital sector of their economy, which as a whole is so poor and unbalanced.

President. — I call Mr Cheysson.

Mr Cheysson, Member of the Commission. — (F) Madam President, I wish to state first and foremost that the Commission fully acknowledges and appreciates the importance of fisheries for a number of Member States, especially Italy, and more particularly for the Mediterranean fishermen in Sicily. This basic preliminary declaration will enable me to avoid dwelling on certain inaccuracies in what the previous speaker said. It is hardly surprising that in its negotiations with Tunisia in 1975 the Community did not include fisheries questions since at that time it had no responsibility in the matter. I would remind you that responsibility was transferred from the Member States to the Community by a decision of November 1976. It was therefore only from 1977 onwards that we were able to take action in this field.

Since then it has been up to the Community to defend the rights which the Member States wish to obtain inside the fishing limits of third countries. Sometimes, an existing agreement can be extended for a transitional period by a Member State acting on behalf of the Community, when this has been decided beforehand. This was the case with Yugoslavia, with a temporary extension in the context of regional cooperation between the Community and Yugoslavia, financed out of the Community budget.

Elsewhere we have started negotiations, as the previous speaker rightly pointed out, in a large number of cases. I would stress straightaway that they vary greatly on content and philosophy, depending on whether we are dealing with countries which also fish within our own limits — there is then an exchange of rights, in a spirit of reciprocity — or with countries which are unable to fish in our waters and to which we cannot therefore offer reciprocal rights. Negotiations with Canada and the United States were also difficult, but the difficulty was of a very different nature from that encountered in negotiations with Tunisia, Senegal or Mauritania.

In the case of these three countries, we have to consider a different factor, namely their desire to use this resource, as is their right, to help feed their people, maintain certain industries, and develop their own fisheries sector. In these cases we therefore act in a spirit of development cooperation, and we must start from the idea that the time when we simply went to fish in their water is over. We shall fish in their waters to the extent that this contributes to their development, through financial compensation or aid, with all the possibilities for cooperation which that implies.

Cheyssou

In the case of Tunisia, the problem concerns a narrow zone, since the Mediterranean countries have not extended their fishing limits, which are therefore restricted to twelve miles. This twelve-mile zone was covered, as the honourable Member mentioned, by a bilateral agreement which developed out of years, indeed centuries, of traditional rights. This bilateral agreement expired on 18 June 1979. It granted extensive rights — a hundred fishing boats — with reciprocal concessions regulated by the Italian Government, since in 1976 this was a national responsibility. Let me stress straight away that it had no extension, revision or renewal clause. This is rare, but it is quite understandable when one considers the Tunisian policy which was beginning to emerge in 1976 and has since been confirmed.

Moreover, as you know, the application of this agreement has led to various incidents, and in December 1978 a protest was made by the President-in-Office of the Council to Mr Fituri, the Tunisian Minister of Foreign Affairs. I myself summoned the Tunisian Ambassador to inform him of the concern we felt at a number of incidents which had taken place in connection with the Italo-Tunisian agreement. The Commission was very worried by this situation and in autumn 1978 it put forward, and indeed recommended, a mandate for negotiations with Tunisia, as was right and proper — and as Mr De Pasquale has been advocating. This was adopted at the end of 1978. We then encountered a difficulty in the form of the Tunisian refusal to open negotiations. After all, a sovereign State always has the right to refuse to open negotiations.

Initially, more or less amicable exchanges of views took place, mainly concerning the fears expressed by the Tunisians as to the depletion of their stocks and abuses committed during fishing in their waters. Nevertheless, there have been increasingly frequent contacts with us and with the Italian Government — for example the visit of the Italian Minister of Foreign Affairs to Tunis in spring 1979 — and we have been looking for other ways of making contact on fisheries problems. In April 1979, the Commission suggested contributing, under the cooperation agreement, to the Tunisian research programme on fisheries and the development of the industry. Several meetings have already taken place under this cooperation agreement. However, there were no substantial results, and the reasons for this became clear only at the end of June, when the Tunisian ambassador came to tell Mr Gundelach and myself that the Tunisian Government was no longer prepared to sign fisheries agreements with any foreign country. It had decided to exploit its fishing zones itself and not to allow in any foreign fishing fleets.

Mr Gundelach visited Tunis on 27 and 28 July, stopping on the way in Rome, and I am very pleased to be able to give you a full account of his trip. He would have done so himself, Madam President, if the debate had taken place when he was here. The Tunisians confirmed to him that in future they intended to exploit their fishing

areas themselves. Even so, they by no means ruled out cooperation with foreign countries in the form of joint ventures, opportunities for fishing under the Tunisian flag, or any other form of cooperation. But they were determined to consider the problem in terms of cooperation with their development, and before committing themselves precisely they wanted to be better informed on their fisheries resources, which are limited, as in all other waters in the world. They therefore urged us to help them evaluate these resources.

Mr Gundelach recalled the very special links which exist between Italy and Tunisia, between the Community and the Maghreb. At the last minute the other side showed a spirit of cooperation — I feel it important to say this — although they were under no obligation to do so. We can never compel a neighbouring country to enter into an agreement if it does not wish to. We can ask that we should not be discriminated against, but if they refuse all agreements with third countries, we cannot ask for special treatment, any more than anyone could ask us for special treatment. In a spirit of cooperation, at the last minute, the Tunisian Government proposed to the Community that for a transitional period it should authorize vessels which were in the habit of fishing within the twelve-mile limit to go on doing so, provided that a solution was found to certain problems about which they are very sensitive. Among these problems the most important was one which is entirely outside the competence of the Community as such. But, in all good faith, Madam President, we must acknowledge the importance of this for a sovereign State, for a country which has its pride.

As you know, there is a maritime zone in dispute between Libya and Tunisia. It is disputed mainly because of the probability, of offshore oil deposits. Three foreign oil rigs were installed there. In the case of two countries — one outside the Community, namely the United States, and one within it, namely France — the approaches made by Tunisia led the companies concerned to withdraw their rigs so as not to prejudice the solution of an awkward and difficult dispute — relations with Libya are always somewhat delicate, as you know — and thus not to take sides in the dispute between the two neighbours. Now, in this same disputed zone there is a Libyan rig financed by an Italian oil company, and we had confirmation a few days ago that it was indeed located in this disputed zone. I cannot fail to appreciate — as does Mr Gundelach — the feelings of our Tunisian friends and their doubts about the value of a kind of cooperation which allows such a *fait accompli* to occur.

It is for the Italian Government to reply to this. I state categorically here — for I trust the word of the Tunisians — that if this question is settled, as it has been with other countries, on terms which do not in any way prejudice the future, the unilateral Tunisian gesture restoring fishing rights for Community vessels — in point of fact Italian or rather Sicilian vessels — for a more or less extensive transitional period will be

Cheysson

taken into account. We shall continue our cooperation. The other aspects of this cooperation will be examined by the Director-General for Agriculture, when he visits Tunis in a few days' time. I shall be going there myself three or four weeks later.

I think that the way in which this problem is tackled is important, and the honourable Member was perfectly correct to include Libya and other countries in his remarks. I was in Tripoli not long ago, and I know how closely the debate on fishing rights in Tunisian waters is being followed there. The same complaints, whether well-founded or not, are made by Libya about vessels coming from the northern shores of the Mediterranean. The Libyans told me formally that they wish to discuss a fisheries agreement, and I am happy to inform Parliament of this. It seems to me that interesting possibilities are opening up here, but I think that the Tunisian question must be settled first, because the Sicilian fishermen are encountering serious difficulties, and because there is a policy at stake which we must support, since it will contribute to the development of one of our partners.

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

Mr Gatto. — (*I*) Madam President, in view of the late hour, and out of respect for Parliament, I shall speak only briefly. In any case, I entirely agree with Mr De Pasquale's introductory speech. This oral question had in fact already been put by me, in the fond hope of rapidly obtaining a written reply from the Commission, during the inaugural part-session of this Parliament. The question was urgent then and is now acutely so. The Commissioner's reply has left us in total doubt and uncertainty. It did not give me the impression of a firm political will, and it would be really serious, indeed disastrous, if the same conclusion were to be drawn by the workers concerned — the Sicilians, the Italians who have placed so much faith in the Community, this great goddess who joins together different peoples in a common endeavour. I should like to make one or two points to Mr Cheysson. I share the spirit of his speech concerning the approach to relations with the newly emerging peoples of Africa. I agree with his expression of great respect for Tunisia, and I believe that the negotiations should be conducted on these lines. However, there is an urgent problem, an acute problem affecting workers who manage to survive only dangerously and with difficulty. There must be general negotiations — which can and must envisage conditions and relationships of cooperation, which must be set in the context of general cooperation in the Mediterranean region, and which in my view must also respect the fauna and the natural environment of that region, in order not to destroy the environment in which we have to live — but it is also extremely urgent to obtain an independent decision by Tunisia rapidly to extend the agreement and thereby to allow the Sicilian fishermen to return to work and rekindle their faith in the Community to which they feel they must belong.

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

Mr Lima. — (*I*) We, too, asked yesterday that the debate on this oral question should take place as soon as possible, partly because we knew that yesterday there would be a general strike in Mazara del Vallo, called for the precise purpose of drawing attention to fisheries problems in the Sicilian Channel. The strike took place, the municipal offices of Mazara were attacked and vandalized, the flag of the town was burnt, and there was also damage to the municipal museum, which contains archaeological remains of great importance and value. And yet, ladies and gentlemen, the municipality of Mazara certainly does not have the powers which would enable it to solve the problem.

As Mr Cheysson himself pointed out, some months ago the Council authorized the Commission to open negotiations with Tunisia with a view to defining the agreements between that country and Italy on fisheries. For us Italians, and particularly for us Sicilians, this is a problem of special interest, and we think it is time to put an end to the very awkward situation in which the Mazara del Vallo fleet in particular finds itself, since it is too often a target for Tunisian and Libyan patrol boats in the Sicilian Channel.

You know that one person was killed a few months ago, and as we speak there are 23 sailors still imprisoned in Libya. Fisheries represent a vital sector, perhaps one of the most important, of the Sicilian economy, and I should like to draw the attention of Mr Cheysson to one fact. Apart from the economic factor, which is certainly of enormous importance, there is another factor of political and moral importance, namely that perhaps for the first time Sicily is awaiting a solution, is awaiting measures which will protect it fairly in the exercise of its economic activities, from Brussels and not from Rome.

In conclusion, Madam President, I should like to say that some time ago the press published a report — I do not know if it is true, but the Commissioner's reply suggests that it is not — that Tunisia would be prepared to extend the existing agreement, but would ask in exchange for access to European markets for a certain quantity of olive oil. I realize that this request could create problems, but I feel that a solution must be found urgently, and if this report is correct — and it was confirmed to me by reliable sources in the Italian Government — I think it should be possible to solve this problem without damaging other economic sectors in the Member States of the Community.

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

Mr Cecovini. — (*I*) Madam President, we are debating an extremely delicate problem, and we would not want its importance to be diminished by

Cecovini

the late hour. Italy is particularly concerned with fisheries problems, since five-sixths of its borders are coastlines, located as it is in the centre of the Mediterranean, extending like a finger towards Tunisia. Fisheries are one of its important resources, almost the only resource for some of its people, such as those in Sicily, who cannot be left to the mercy of chance or indeed to suffer the use of force by other countries, as is happening at the moment in the absence of a bilateral or Community agreement, since the Tunisian Government is preventing the Sicilian fishermen from casting their nets where they have cast them for generations.

It is true that the Commission has not remained entirely inactive in the face of this regrettable situation, and has indeed sent Mr Gundelach to negotiate, but it is equally true that the Tunisian Government has stated that it does not wish to negotiate either with Italy or with the Community — as Mr Cheysson has confirmed here today — even though it has hinted that it would perhaps accept an extension of the bilateral agreement if it obtained certain concessions in return. Well, it is precisely such concessions which should worry us. In the view of the Liberal and Democratic Group it is essential that negotiations with Tunisia should be dissociated from other questions and especially from the dispute between Tunisia and Libya over the continental shelf — a dispute which involves Italy to some extent in that Tunisia is asking for the removal of the Scarabeo III — the oil prospecting rig operating in waters which the Tunisians claim which the Libyans dispute.

It is the fervent hope of Italy, a hope shared by the Liberal and Democratic Group, that the Community — as has been its responsibility since January 1977 — will resume negotiations over Italo-Tunisian fisheries, taking due account of the legitimate needs and aspirations of both sides. In the meantime, we would like to know more about what measures the Community intends to take to eliminate this source of friction in the Mediterranean.

We are pleased to hear that there is a chance of concessions, albeit temporary, on the part of the Tunisian Government, but we insist that the Commission should continue its efforts to obtain the immediate granting of fishing zones for boats belonging to Member States of the Community — and the Sicilian boats belong to a Member State of the Community — in exchange for other advantages which could be granted to Tunisia, even in other sectors.

In conclusion, the Liberal and Democratic Group expresses its complete agreement with Mr De Pasquale's oral question and hopes that this will put justified pressure on the Commission to solve this urgent problem in the framework of Community competence without further, very harmful delays, and to the satisfaction of the fishermen, who are at present deprived of their living and whose very lives are at risk.

President. — I call Mr Buttafuoco.

Mr Buttafuoco. — *(I)* Madam President, ladies and gentlemen, I rise to speak on this vital subject at such a late hour that it will certainly not be possible to make all the Members of the European Parliament aware of it. However, a debate was required now, because Sicily is in a state of extreme irritation with the Italian Government and with the Community to which it belongs.

I represent the fifth Italian constituency, of which Sicily forms the largest part, and I feel I must intervene on behalf of Sicily, of the Sicilians who are so discontented, in order to express complete dissatisfaction with the action taken by the Commission and the Commissioner. That is what the families of the four dead men, of the arrested men, and of those compelled to suffer hunger as a result of the failure to reach this agreement, would do if they were present.

It is true that efforts have been made by the Commission, but it is also true that the bilateral agreement expired in January 1977. A greater measure of commitment on the part of the Commission would certainly have made it possible to achieve some results. The Community — I regret to say — has probably followed the bad example of the Italian Government's inability to solve its own problems, and has thought that it could get away with similar conduct. Nor is the tacit extension of the agreement acceptable, because this would not change or improve the situation — the same would occur as occurred yesterday in Yugoslavia, in the sea which is dear to Mr Cecovini and indeed to all Italians. Eleven fishing boats covered by a tacitly extended agreement were impounded and the crews arrested.

So, ladies and gentlemen, I speak on behalf of Sicily to confirm that it has a great European vocation. It re-emphasized this by its massive turnout in the recent elections to the European Parliament and by sending hundreds of thousands of its people to work in every region of this continent. But it has an inadequate agriculture, its industry is in a state of stagnation aggravated by the energy crisis, and it is now also threatened with a cut in the Community budget affecting the Regional Development Fund and the Social Fund. This peripheral zone, this most depressed of all depressed regions is being really badly treated! Believe me, it is the peripheral zones which are the most sensitive, for it is there that fuel can be added to the flames of resentment, hunger, misfortune and bereavement, and it is there that enemies of Europe are always to be found. I call on you, fellow Members of the European Parliament, to take steps to ensure that the interests and rights of this ultrasensitive peripheral region are safeguarded.

President. — I call Mr Giummarra.

Mr Giummarra. — *(I)* With regard to the management of fisheries resources, the recurring instances of

Giummarra

intolerance, deplored at the time also by this Parliament, have led the Commission to speed up the formulation of a Community fisheries policy capable of providing the necessary instruments for solving problems, which are unfortunately not available to the individual Member States. The Commission, in accordance with the powers it had acquired — as the Commissioner pointed out a short while ago — had already laid the foundations for a broad range of negotiations, enlarged to include various African States, and which could also provide a framework for the more urgent problems such as that of the delicate relations between Italy and Tunisia over fisheries in the Sicilian Channel. In spite of the time which has passed, there has been no tangible result of the action taken by the Commission. In my view, neither Parliament nor the Commission can go on underestimating the considerable damage to the interests of the Sicilian fishermen, who are subject to harassment from Tunisian patrol boats on the grounds that they have violated territorial waters. The dissatisfaction and exasperation of the Sicilian fishermen has become absolutely uncontrollable in the last few days, as was rightly stressed by Mr De Pasquale, Mr Lima, Mr Buttafuoco and Mr Cecovini. Only yesterday at Mazara del Vallo, in the course of a general strike over fisheries problems in the Sicilian Channel public buildings were attacked, and carabinieri and members of the ordinary police force were injured. Will the Commission and the Council do what they can to solve this problem? In spite of the seriousness and complexity of the picture described by the Commissioner, it is possible that the intensification of harassment by the Tunisian authorities is linked to their claim to more substantial compensation in the negotiations. Ladies and gentlemen, we know that on the basis of the 1976 agreement — which has already expired — Italy had to offer Tunisia significant financial compensation, purchase agricultural products which it certainly did not need, and grant credit facilities to that country. It is therefore time that the Commission and the Council, on the basis of Community competence and of an overall assessment of fisheries problems, decided to follow a balanced policy in the fisheries sector so as to avoid penalizing of other sectors of the Italian and European economy, and to give a rapid and fair reply to the expectations of the fishermen, in the form of a guarantee of safety in carrying on their work in the Sicilian Channel. For the moment, it is to be hoped that, as Mr Cheysson has in fact promised, the Commission will not spare its efforts to mediate appropriately and reduce existing tensions between Italy and Tunisia in the context of wider cooperation between the European Economic Community and the Mediterranean countries.

President. — I call Mr Cheysson.

Mr Cheysson, Member of the Commission. — (F) Madam President, this is indeed a serious problem and I would therefore like to say to try to sum up very

rapidly my replies to the various speakers, asking them to reflect on them and pass or what I say.

I shall first dispose of two points which are not directly connected with the main question, starting with Libya. There is no fisheries agreement with Libya. If boats go to fish in Libyan waters, their position is illegal, just as illegal as that of unauthorized boats fishing in territorial waters of Italy, France or the United Kingdom. They do so at their own risk, but in that case one cannot speak of an abnormal situation if one of them is stopped. There is no right for any Community boat to fish in Libyan waters. Traditional rights have been mentioned. Of course there are traditional rights, but let us not forget ladies and gentlemen, that there is also the fact that all these countries have gained independence, with the sovereign rights which that implies. We are sufficiently jealous of our own sovereignty to understand if others have the same attitude. Let us not therefore compare Libya with Tunisia, since the problems are completely different.

Secondly, it is not time that the Tunisians suggested the restoration of fishing rights in return for our accepting, on a more or less regular basis, quantities of olive oil on the Community market. This idea can be ascribed to certain imaginative individuals who probably have a particularly good eye for the main chance, but it was never the Tunisian intention. I say this categorically — as it has already been stated by the Prime Minister and the entire Tunisian Government to my colleague Mr Gundelach and by the Tunisian Ambassador to me. So let us also set aside this aspect. Just because this type of bargaining has succeeded once, it does not mean that it will succeed this time. That is not the issue. What, then, is the issue? It is that a country has decided that to regain control of a resource which belongs to it. Can we quarrel with that. If one of us has a house or a field, he can let it for a certain time, and at a given moment decide to use it himself. No one is going to question his right to do that. Tomorrow, perhaps, with a better knowledge of their natural resources the Tunisians will change their mind and agree to negotiate fisheries agreements with third countries. In that case, of course, we would be the first to benefit. The Community would not allow other countries to receive better treatment than it did itself. If, on the other hand, the Tunisians do not wish to grant fishing rights to any foreign country, we must acknowledge that they have the right to do that.

The position is that we are in close cooperation, while the problems which you raised are overwhelming — indeed tragic — for hundreds of thousands of Sicilians and Italians, as one of the speakers said.

Because of this, Tunisia has agreed as a favour to prolong the existing fishing rights while it tries to assess its resources. We must not put pressure on her. She is ready to do this, and would have done it before if a solution had been found to this problem — which is very annoying for Tunisia as you will admit — of a

Cheysson

Libyan oil rig, financed by an Italian company, operating in a disputed zone which the other foreign oil companies have left. Tunisia has the right not to grant fishing facilities to any foreign country. As a favour, she is offering, as a unilateral gesture, to maintain the *status quo* of before 18 June. If we were to eliminate this one element which Tunisia regards as highly provocative as other foreign countries have already done with their rigs ... I said just now that I understood the Tunisian position. I repeat that. This is a pressing problem. You are asking that the Community should tackle it. I would stress that, as far as we are concerned, it has been tackled. Since 1 August the Italian boats could have returned to Tunisian waters if a satisfactory reply had been given on the question of the Italian oil rig. So I would ask you to address your remarks to those responsible.

President. — I call Mr De Pasquale.

Mr De Pasquale. — (1) Madam President, in his second speech Mr Cheysson got rather excited, and asked us to think about the question. I would also like to ask the Commission to think about the gravity of the situation. At all events, I take note of what the Commissioner said, which shows a certain awareness of the gravity of the situation. I take note of this and also of the official statements by the Commission — the first official statements on the subject. We shall ensure that all those concerned and the Sicilian public as a whole are made aware of these statements. We shall make a point of doing this, because it is necessary to establish a direct relationship between the actions of the Community and the interests of the people concerned.

I think that the Commission must make it an essential aim to solve this problem. We take note of the statement about the oil rig. We have not been told whether the Italian Government's attention has been drawn to the problem, or what its reply was. At all events, we take note of the information that contact will be made as soon as possible with Libya with a view to a similar agreement.

With regard to Tunisia, Mr Cheysson, no extension, revision or renewal is envisaged, and yet negotiations are under way. It is not true that Tunisia is not prepared to negotiate. The Community and Tunisia are negotiating the revision of the cooperation agreement, and we are in a situation in which the Community can place the problem of fisheries in the wide and general context of cooperation. Tunisia, indeed, has an interest in negotiating with the European Community, and the European Community — which also represents Italy and Sicily — has an interest in achieving an agreement which takes account of this. It is therefore not true that there is a communication gap on this problem. Do not tell us the story of the house which previously belonged to someone else. We have fought to ensure that houses belong to those who

must live in them. These negotiations must be conducted on an equal footing, but also on the basis of reciprocal interests which in fact exist. I do not think it impossible to reach agreement. If it were impossible to agree on such a marginal question from the viewpoint of the general interest of the Community, but such an important one for Sicily, then we would have to shut up shop, Mr Cheysson, with regard to everything else. If there is a will, a real determination to solve a particular problem, I think that such determination will bear fruit.

I hope the Commission will employ all its will power and all its resources to give the Sicilian people the proof it is awaiting of this political will, and I also hope that the Italian Members of the Commission will take more interest in this problem, which concerns the Community as a whole, but particularly Italy.

President. — To wind up this debate, I have received from Mr De Pasquale and others a motion for a resolution with request for an early vote (doc. 1-359/79).

The vote on the request for an early vote will take place at the beginning of tomorrow's sitting.

The debate is closed.

18. Urgent procedure

President. — I have just received from Lord Hamar-Nicholls and nine other Members a motion for a resolution, with request for urgent debate pursuant to Rule 14 of the Rules of Procedure, on the decision of the European Court of Justice (Doc. 1-361/79).

The vote on this request will take place at the beginning of tomorrow's sitting.

19. Agenda for next sitting

President. — The next sitting will be held today, Thursday, 27 September 1979, with the following agenda:

10 a.m. and 3 p.m. until 8 p.m.

10 a.m.:

- Election of questors
- Decision on urgency of two motions for resolutions
- Decisions on requests for an early vote on four motions for resolutions
- Presentation and discussion of draft general budget of the Communities for 1980

3 p.m.:

- Question Time (questions to the Commission)

3.45 p.m.:

- Possibly, voting time.

I should like to thank the staff for their cooperation.

(Applause)

The sitting is closed.

(The sitting was closed at 12.45 a.m.)

*ANNEX**Questions which could not be answered during
Question Time, with written answers*

Question No. 47, by Mr van Aerssen

Subject: Speed restrictions on private cars

The Community energy conservation programme advocated by the Council of Energy Ministers envisages the introduction of drastic speed limits on private cars in the Member States in the interests of fuel economy.

Has the Council carried out a comprehensive study of road traffic to ascertain exactly how much extra fuel will be consumed as a result of the systematic slowing down of traffic — i.e. traffic jams, more frequent gear changing and use of low gears — and does it not feel that, when the fuel saved with a speed limit of 100 km per hour is balanced against the extra consumption that is simultaneously generated, the actual saving achieved will bear no relation to the resulting inconvenience?

Answer

At its meeting in Brussels on 17 May 1979, the Council, in accordance with the decisions taken by the European Council on 12 and 13 March 1979, discussed in detail, on the basis of a summary document prepared by the Commission, the measures being implemented or worked out by Member States with a view to reducing the consumption of oil and petroleum products in the Community. The Council took note of the arrangements adopted by the Commission for monitoring consumption trends and noted that a number of Member States were adopting further measures to strengthen the impact of these arrangements, embracing among other things a reduction in vehicle fuel consumption.

The specific problem mentioned by the honourable Member was not examined in detail.

Once it has received a proposal from the Commission the Council will certainly weigh up the advantages and disadvantages before taking a final decision.

Question No 52, by Lord Douro

Subject: Consultations with oil suppliers

Would the Council report on the first meeting with representatives of the Organization of Petroleum Exporting Countries?

Answer

The meeting referred to by the honourable Member was held on 30 June 1979 in London between the President-in-Office and the subsequent President of the Council, Mr Giraud and Mr O'Malley, together with Commissioner Brunner, all accompanied by a number of experts, and Sheikh Yamani, assisted by other members of the OPEC Committee on Long-Term Policy and Production Strategy.

The meeting was seen by both sides as a technical contact.

The Community representatives emphasized in particular the progress already achieved by the Community in reducing the share of oil in energy consumption, in restricting oil imports, in saving energy and in launching new energy investment projects.

For their part the OPEC representatives gave their estimates regarding future oil supplies.

Question No 61, by Mr O'Leary

Subject: Cooperation between Council and the European Parliament

What measures will the President-in-Office of the Council propose to realize the intention he expressed in his speech on 19th July to the Parliament to establish and maintain cooperation between the Council of Ministers and the European Parliament?

Answer

A set of procedures governing relations between the European Parliament and the Council already exists. These procedures operated, on the whole, to the satisfaction of the European Parliament in its former composition and of the Council. The current Presidency of the Council intends to ensure that such procedures are strictly applied.

Furthermore, at its meeting on 18 September 1979, the Council agreed to examine what could be done to improve relations between our two Institutions.

Question No 65, by Mr Lalor

Subject: Energy conservation

As the introduction of summer time would be a means of conserving energy in the Community, what progress has been made in reaching agreement among the Member States?

Answer

The Council shares the view of the honourable Member that the introduction of summer-time is a means of conserving energy in the Community, but recalls that there are considerable practical difficulties involved, particularly concerning relations with third countries in Europe.

Nevertheless, considerable progress has been made in recent years. In addition to Italy, Ireland and the United Kingdom, which have had a summer time period for many years, France introduced summer time in 1976. Belgium, Luxembourg and the Netherlands in 1977. In 1978 a basic law was adopted in the Federal Republic of Germany which provides for the introduction of summer time when the outstanding practical difficulties have been resolved.

This year the Italian Government has announced that in 1980 its period of summer time will be extended so as to coincide with the dates applied in France and Benelux. Very recently the Danish Government has indicated its intention of introducing summer time in 1981.

The Council is continuing in its attempts to obtain a single period of summer time applicable throughout the Community, and a new initiative in this field is expected shortly from the Commission.

Question No 66, by Mr Davern

Subject: Occupational training for persons engaged in agriculture

Does the Council consider that the occupational training provided for persons engaged in agriculture under the terms of EAGGF has benefited the development of a modern agricultural economy in the Member States?

Answer

Evaluation of the results of applying Directive 72/161/EEC concerning the provision of socio-economic guidance for and the acquisition of occupational skills by persons engaged in agriculture falls first and foremost within the responsibilities of the Commission, which submits an annual report on the effects of Community and national measures taken under such Directives to the European Parliament and the Council.

The Council is required to examine this report, taking into account: the rate of development of the structures necessary for the attainment of the objectives of the common agricultural policy, the effect on the harmonious development of the Community's regions and the financial implications of the measures in question.

Thus, the third Commission report on the matter, dated 2 August 1979, covering the whole period 1972-1977 is currently being examined by the Council's various subordinate bodies. It should be

noted in this connection that, on the basis of experience to date in the application of the socio-structural directives, as evidenced by the latest reports, the Commission forwarded to the Council on 20 March 1979 a whole range of proposals concerning the revision of these directives adopted in 1972, including Directive 72/161/EEC on the occupational training of persons engaged in agriculture.

On a more general level the Council still considers that the training and further training of persons engaged in agriculture is an important way of contributing to the development and promotion of modern farming methods in all the Member States.

Question No 68, by Mrs Squarcialupi

Subject: Violation of human rights in Chile

In view of the persistent violations of human rights and the continuing repression in Chile (perpetrated by the military junta to stifle any form of opposition), and in view of the total uncertainty about the fate of the thousands of people who have disappeared or have been imprisoned and of whom nothing has been heard for some time — a situation highlighted in the demonstrations held in Chile and in Europe on the anniversary of the bloody coup d'état in 1973 — what steps do the foreign ministers intend to take to further the restoration of democratic freedoms in Chile?

Answer

I. The Nine have on a number of occasions made known to the Chilean authorities their concern about respect for human rights in Chile. They have urged the Chilean authorities to provide any information they may have available on the fate of missing persons in Chile to the relatives concerned.

II. In addition, the Nine have supported the most recent UN General Assembly resolution concerning the protection of human rights in Chile. The most recent UN resolution which was adopted on 20 December 1978 calls upon the Government of Chile 'to restore and safeguard without delay basic human rights and fundamental freedoms and to fully respect the provisions of the relevant international instruments to which Chile is a party'.

SITTING OF THURSDAY, 27 SEPTEMBER 1979

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IN THE CHAIR : MRS VEIL

President

(The sitting was opened at 10 a.m.)

President. — The sitting is open.

1. *Approval of minutes*

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

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

2. *Documents received*

President. — I have received the following documents :

a) from the Council, requests for an opinion on :

- a proposal from the Commission to the Council for a decision on the conclusion of the convention on long-range transboundary air pollution (Doc. 1-353/79),

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

- a proposal from the Commission to the Council for a regulation amending Regulation (EEC) No 1117/78 on the common organization of the market in certain products listed in Annex II to the Treaty (Doc. 1-354/79),

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

b) the following motions for resolutions :

- motion for a resolution (Doc. 1-345/79/rev.), tabled pursuant to Rule 25 of the Rules of Procedure by Mrs Majj-Weggen, Mrs Cassanmagnano Cerretti, Mrs Rabbethge, Mrs Lenz, Mrs Gaiotti de Biase, Mrs Boot, Mrs Moreau, Mrs Schleicher and Mrs Walz on behalf of the Group of the European People's Party (CD), Miss Brookes, Lady Elles, Miss Hooper and Miss Forster, on the position of women in the European Community,

President

which has been referred to the Committee on Social Affairs and Employment ;

- motion for a resolution (Doc. 1-346/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Pfennig, Mr Klepsch, Mrs Cassanmagnano Cerretti, Mr Diligent, Mr Nothomb, Mrs Boot, Mr Ryan, Mr Estgen, Mr Pursten and Mr Konrad Schön on behalf of the Group of the European People's Party (CD), on the ratification by the European Parliament of the Treaty of Accession of Greece,

which has been referred to the Political Affairs Committee ;

- motion for a resolution (Doc. 1-347/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Van Aerssen, Mr Klepsch, Mr Colombo, Mr Tindemans, Mr Simonnet, Mr Beumer, Mr Ryan, Mr Fischbach and Mr Aigner on behalf of the Group of the European People's Party (CD), on the extension of the legal bases of the European Community,

which has been referred to the Legal Affairs Committee as the committee responsible and to the Political Affairs Committee for its opinion ;

- motion for a resolution ((Doc. 1-348/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Habsburg, Mr Klepsch, Mr Rumor, Mr Seitlinger, Mr Aigner, Mr Vandewiele, Mr Ryan and Mr Estgen on behalf of the Group of the European People's Party (CD), on a symbolic empty seat in the European Parliament,

which has been referred to the Political Affairs Committee ;

- motion for a resolution (Doc. 1-355/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Glinne on behalf of the Socialist Group, on world hunger,

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

- motion for a resolution (Doc. 1-357/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Fergusson, Sir Peter Vanneck, Mr Robert Jackson, Mr Normanton, Mr Cottrell and Mr Welsh, on Community armaments procurement programmes within the framework of industrial policy,

which has been referred to the Political Affairs Committee ;

- motion for a resolution (Doc. 1-358/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Pajetta, Mr Gremetz, Mrs Caretoni Romagnoli, Mr Denis, Mr Ferrero, Mr Galluzzi, Mrs Poirier and Mr Verges on behalf of the Communist and Allies Group, on world hunger,

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

- motion for a resolution (Doc. 1-360/79), tabled pursuant to Rule 25 of the Rules of Procedure by Mr Gremetz, Mr Pajetta, Mr Denis and Mr Ferrero on behalf of the Communist and Allies Group, on the right to self-determination of the Sahrawi people,

which has been referred to the Political Affairs Committee ;

- c) an oral question without debate (Doc. 1-366/79) by Mrs Castle to the Commission on Commission statements.

3. Election of Quaestors

President. — The first item is the election of the quaestors of the European Parliament.

Pursuant to Rule 7A of the Rules of Procedure, which was adopted following the amendment proposed in the Luster report, the provisions governing the election of the vice-presidents will apply to this election. The resolution (Doc. 1-349/79) adopted by Parliament set the number of quaestors at five.

The following candidates are standing : Mr D'Angelo-sante, Mr Fellermaier, Miss Flesch, Mr Lalor, Mr Ryan and Mr Simpson.

Since the number of candidates exceeds the number of seats to be filled, Parliament is required to hold a secret ballot.

Rule 7(4) of the Rules of Procedure, governing the election of the vice-presidents and applicable to the election of the quaestors, reads as follows :

Those who on the first ballot obtain an absolute majority of the votes cast shall be declared elected in the numerical order of their votes. Should the number of candidates elected be less than the number of seats to be filled, a second ballot shall be held under the same conditions to fill the remaining seats. Should a third ballot be necessary, a relative majority shall suffice for election to the remaining seats. In the event of a tie the oldest candidates shall be declared elected.

Ballot papers and envelopes have been distributed to the Members. You are asked to indicate with a cross the candidate of your choice. Each Member has a maximum of five votes.

Four tellers will be chosen by lot.

The four tellers are Mrs Cinciari Rodano, Mr Kirk, Mr Scott-Hopkins and Mr Fanti.

The name of the Member who will begin the roll call will be chosen by lot.

The roll call will begin with Mr Lezzi.

I ask the Secretary-General to call the roll.

(The roll call was taken)

Does anyone else wish to vote ?

The ballot is closed.

President

I ask the tellers to withdraw to room 1099 to count the votes.

I propose that, while the votes are being counted, we continue with the business of the House.

Since there are no objections, that is agreed.

4. *Decision on urgency*

President. — The next item is the decision on the urgency of two motions for resolutions.

We begin with the *motion for a resolution (Doc. 1-356/79): Parity adjustments within the European Monetary System*'

The reasons supporting the request for urgent procedure are contained in the document itself.

Does anyone wish to speak ?

I put to the vote the request for urgent procedure.

The request is rejected.

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution is referred to the appropriate committee.

* * *

President. — We now consider the *motion for a resolution (Doc. 1-361/79/rev.): Decisions of the European Court of Justice.*

I call Mr Fellermaier.

Mr Fellermaier. — (D) Madam President, with reference to Rule 32(1e) of the Rules of Procedure, I feel that there is a basic issue which has to be cleared up before the debate, namely whether it is in order to consider in the European Parliament motions which welcome, express regret at or condemn verdicts of the European Court of Justice.

If we accept that the European Community consists of bodies with separate areas of competence, we must be aware that by virtue of the Rome Treaties it is the responsibility of the European Court of Justice to ensure that the Treaties are adhered to and that its decisions concerning the governments of individual Member States are complied with.

It would be a completely new departure in the entire parliamentary system of the countries which make up this Community of ours — and I am thinking of the national parliaments in this respect — if the European Parliament, whenever it felt like it, were to begin to comment on and consider the consequences of the 160-odd judgments delivered during the year by the European Court of Justice. This matter must be cleared up in accordance with the Rules of Procedure, and I therefore request that pursuant to Rule 32(1e) this item be removed from the agenda.

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — The Member who has just spoken was speaking on a point of order and the general point behind his speech I accept. I think this has happened because the wording, as it appears on the Agenda, is not correct. From the agenda, it appears that we are requesting a debate on decisions of the European Court of Justice : that is not what we are doing. If that were so, there would be complete substance in what the honourable Member has just said. But this motion is not anything to do with the Court of Justice's decision. This motion is to do with the reaction of Members of this Assembly in the early hours of yesterday morning. This is not a criticism or a comment on the European Court of Justice ; it is a comment upon the attitude adopted by honourable Members in yesterday's sitting when they used this Parliament as a platform to urge farmers to walk in protest against the decision, to urge a government to ignore the decision, and generally to undermine the authority of Parliament itself. I maintain that if you disagree with the European Court of Justice's decision, you should use the courts of appeal to deal with it, not preach anarchy on the floor of an elected parliament.

(Applause)

The point I am making is not — and this is the point of order — a criticism of the Court of Justice. They did their duty impartially according to the evidence that they received. It is a criticism of people who would want to undermine the objectivity of this Parliament by suggesting that their citizens and their governments should ignore what is an official legal decision of the European Court of Justice.

(Applause)

President. — I call Mr Berkhouwer.

Mr Berkhouwer. — (NL) Madam President, the noble Lord is forgetting that it is not possible to appeal to a higher court after the European Court of Justice has given a judgment. I agree with what was said, however. There is no doubt this is a serious matter. But we must avoid any pronouncement which simply amounts to paying lip service to the legal order of the Community.

If this Parliament has to consider a draft regulation seeking to overturn a judgment of the Court, it has to show that it is bound by the rule of law not to approve it. I refer to what Mr Fellermaier said. I believe that we must not get carried away by this judgment of the Court. Less than a week after the judgment has been given, when we have barely had time to look at the text — which nevertheless seems to run counter to the interests of certain sheep breeders in the Community — we must refrain from approving a proposal which seeks to undermine the judgment of the Court. We have to avoid this. And we have to

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avoid making any pronouncement which simply amounts to paying lip service to the Community legal order. I therefore ask the authors of this motion for a resolution — even though I fully agree with the substance of it — not to rush matters but to let the motion be referred to the appropriate committee, which can then give a balanced opinion. The matter is certainly worthy of our consideration. I hope that the honourable Members will be prepared to withdraw the request for urgent procedure. The matter is of such import that we ought to consider it at leisure in the appropriate parliamentary committee.

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — Madam President, I am comforted that the honourable Member who has just spoken agrees with the substance of my argument, because he is the sort of colleague with whom I would like to feel I am in partnership. But how we deal with it, having agreed on the substance, is, I think, an important matter. The point behind this motion, I submit, is an Assembly matter, not a committee matter. I am not questioning the rights and wrongs of the import of sheepmeat. I am not questioning whether the European Court's decision is a good one or a bad one. What I am questioning is whether it is in the long-term interests of this Parliament that we should have Members of it using it as a platform to preach the anarchy of not accepting a decision handed down by our own law courts.

President. — Lord Harmar-Nicholls, do you withdraw your request for urgent procedure? If not, we shall vote on the previous question of Mr Fellermaier.

Lord Harmar-Nicholls. — Madam President, I am not withdrawing. I gathered that the previous speaker was in substance opposing it, and I am now saying...

President. — We shall vote on the previous question by Mr Fellermaier.

I call Mr Berkhouwer.

Mr Berkhouwer. — (F) I am against Mr Fellermaier's proposal and I request that the motion be referred to committee.

President. — I call Mr Fellermaier.

Mr Fellermaier. — (D) Madam President, after the explanation by the Member of the European Democratic Group that there was no intention of pronouncing on a judgment of the European Court of Justice and that there is an error both in the wording of the motion and on the agenda as regards this point, and since the mover of the motion has asked you, Madam President, to amend the agenda accordingly, we can agree to the motion's being referred to the

Legal Affairs Committee, but we are absolutely against discussing the matter in an urgent debate because the basic legal point here affects the relations of Parliament with the other institutions of the Community.

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — I view of the very helpful suggestion that has just been made, I am quite happy for the matter to be referred to the Legal Affairs Committee, as long as it is on the record that I believe that this is an Assembly matter referring to the conduct of Members on misusing this Parliament as a platform for what are, I believe, illegal representations.

President. — The motion for a resolution is therefore referred to the Legal Affairs Committee.

Your comments will be recorded in full in the report of proceedings, Lord Harmar-Nicholls.

5. Decision on requests for an early vote

President. — The next item is the decision on four requests for an early vote.

I put to the vote the request for an early vote on the *motion for a resolution (Doc. 1-351/79/rev.): Community coal policy.*

The request is adopted.

The motion for a resolution will be put to the vote at voting time this afternoon.

President. — We shall now consider the request for an early vote on the *motion for a resolution (Doc. 1-339/79/rev.): Common system of extradition in the fight against international crime and terrorism.*

I call Mr Sieglerschmidt on a point of order.

Mr Sieglerschmidt. — (D) Madam President, I am not quite sure if this is the right moment to raise this point, but Mr Ferri, Mr Zagari and I have tabled an amendment to this motion. If urgent procedure is adopted, may I assume that it will be dealt with this afternoon?

President. — The amendment will be considered at the time of the vote.

I put to the vote the request for an early vote.

The request is adopted.

The motion for a resolution will be put to the vote at voting time this afternoon.

President. — I put to the vote the request for an early vote on the *motion for a resolution (Doc. 1-333/79/rev.): Draft Community regulation on sheepmeat.*

The request is adopted.

The motion for a resolution will be put to the vote at voting time this afternoon.

President. — I put to the vote the request for an early vote on the *motion for a resolution (Doc. 1-359/79): Italo-Tunisian bilateral fisheries agreement.*

The request is adopted.

The motion for a resolution will be put to the vote at voting time this afternoon.

6. Urgent procedure

President. — I have received a motion for a resolution (Doc. 1-365/79), tabled by Mrs Roudy, Mrs van den Heuvel, Mrs Wiczorek-Zeul, Mrs Salisch, Mr Estier, Mrs Fuillet, Mrs Desmond and Mr Rogers on behalf of the Socialist Group, with a request for urgent debate pursuant to Rule 14 of the Rules of Procedure, on the creation of a committee on women's rights.

The reasons supporting this request for urgent debate are contained in the document itself.

I shall consult Parliament on this request at the beginning of tomorrow's sitting.

7. Presentation and discussion of the draft general budget of the Communities for 1980 — Implementation of the 1979 Community budget

President. — The next item is the presentation by the Council of the draft general budget of the Communities for 1980. A debate will follow. During Monday's sitting speaking time for this debate was fixed as follows :

| | |
|-----------------------|-------------|
| Council | 40 minutes |
| Commission | 40 minutes |
| Rapporteurs | 30 minutes |
| Members of Parliament | 240 minutes |

allotted as follows :

| | |
|---|------------|
| — Socialist Group | 55 minutes |
| — Group of European People's Party (CD) | 53 minutes |
| — European Democratic Group | 35 minutes |
| — Communist and Allies Group | 28 minutes |
| — Liberal and Democratic Group | 26 minutes |
| — Group of European Progressive Democrats | 18 minutes |
| — Group of the Technical Coordination and Defence of Independent Groups and Members | 15 minutes |
| — Non-attached Members | 10 minutes |

Mr Robert Jackson, rapporteur on the general budget of institutions other than the Commission, has indicated that he wishes to speak in this debate.

Since Mr Dankert, rapporteur on the general budget of the Commission, has informed me that he intends to speak for his full 30 minutes, I suggest that Mr Jackson be allocated ten minutes' speaking time.

Since there are no objections, that is agreed.

I call Mr MacSharry.

Mr MacSharry, President-in-Office of the Council. — Madam President, Members of the European Parlia-

ment, it is an honour and a great pleasure for me, as President-in-Office of the Council, to present to you today the draft general budget of the European Communities for 1980.

A little over two weeks ago, I had the privilege of being the first. President-in-Office of the Council to welcome a delegation from the directly elected European Parliament to the Council, and was able to hear at first hand Parliament's views ; not only on the Commission's preliminary draft budget for 1980 and the first rectifying letter to that preliminary draft, but also on a number of related problems in the budgetary field.

On that occasion the Council was pleased to note the discussion which took place between your delegation, led by your distinguished President, and the Council prior to its deliberations to establish the draft budget.

It obviously augurs well for future cooperation between our institutions in the budgetary field that such frank and constructive discussion can take place. As my colleague, Mr O'Kennedy, stated in his address to this Parliament at its inaugural session in July, the aim of the Irish Presidency in the Budget Council will be to do everything possible to ensure that each institution's valid role is recognised and discharged to the full, with the object of reaching a satisfactory conclusion to the budgetary procedure in December next.

Before I deal with the draft budget in some detail, I would like to make a number of preliminary remarks which seem to me appropriate to the occasion.

May I first of all express my regret that the Council was unable, for internal reasons which I shall not dwell upon here, to establish the draft budget in late July, as had been hoped, but was forced to defer its meeting until 11 September.

This postponement has had two distinct consequences. The first of these is that the Council and Parliament will not now be able to follow this year the pragmatic budgetary calendar which has been operated for the past three years and which enabled the two arms of the budgetary authority, whilst still conforming to the Treaty, to have more time than the rather tight calendar fixed by the Treaties implies.

The second consequence of the postponement of the budget Council is of another nature. When the Council took its decisions on 11 September it did so on the basis of the relevant data existing in late July. The Council was however aware that certain economic developments had taken place in the meantime which meant that some of the decisions to be taken in the EAGGF sphere might be subject to later modification. This has now proved to be the case and the Commission has just forwarded to Council a second rectifying letter to its preliminary draft budget.

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The Council will thus shortly be forwarding to Parliament a rectifying letter to the draft budget in order to tidy up these points in the EAGGF sector. You will receive this rectifying letter in the coming days.

Turning to the draft budget, we are all no doubt only too well aware of the difficulties besetting the economic and social situation in the Community at present. The outlook for growth has undoubtedly become bleaker in the Community as a result of the increase in energy costs, the average rate of inflation is moving up and the favourable balance on external account is being significantly diminished. These factors, coupled with the continuing need to reduce unemployment, add up to a difficult background against which budgetary decisions at both national and Community level have to be considered.

I would now like to make some general observations about the Commission's preliminary draft budget, the Council's draft budget and the comparison to be drawn between them.

The Council and I myself in particular have followed with interest the debate which took place on the Commission's preliminary draft budget during your inaugural session in July. If I attempt to put myself for a moment in the position of a member of this newly elected Parliament, I realise that the natural and immediate reaction is to compare the draft budget as it emerges from the Council with the Commission's preliminary draft which you discussed on that occasion.

My experience in the Council has shown me that there is another and equally valid comparison which can be made. For when Finance and Budget Ministers are asked to consider the next year's budget, their natural and immediate reaction is to compare what is being asked of them for the following year with what was asked of them this year, to measure the difference and then to ask the question, what is the justification for that difference?

Let me give you a concrete example. The Commission proposed in its preliminary draft budget rates of increase for non-compulsory expenditure of 43.08 % for commitment appropriations and 26 % for payment appropriations. Now, in anybody's language, rates of increase of that order from one year to the next are high, and so the Council justifiably scrutinized the proposed increases in detail. It emerged from this scrutiny, Madam President, that a significant part of this increased expenditure was being requested in respect of actions for which no basic decision has yet been taken. Examples in the industrial, transport and energy sectors spring to mind.

In other words, the Council was being asked to swell the Communities' budget in fields where the nine Member State Governments have not as yet battled their way through to an agreed policy. The Council's

view, and it is one which it has held consistently over the years, is that the Community budget must be in principle a realistic reflection of agreed Community policy.

These general initial remarks give you an idea of the reasons behind some of the cuts which the Council made to the preliminary draft budget. But there are two additional and equally important reasons why the draft budget could not escape, as far as payment appropriations are concerned, some fairly radical pruning by the Council.

First, it is felt by Member States that the Community budget cannot escape from the need for strict budgetary discipline at a time when Member States budgets are all subject to that discipline.

A second consideration is the following: the Council has noted over the past few years a considerable degree of underspend in the Community budget, that is to say that payment appropriations have not been flowing at the rate at which they are inscribed in the budget. Faced with the alternatives of allowing the situation to continue, and hence of having unused money in the budget at the end of the year, or of making more realistic assessments of the payment requirements, the Council really had no choice but to make certain reductions.

These cuts must also be seen against the background of the impending exhaustion of the 1 % rate of Value Added Tax, which, as you know, is one of the Communities' own resources. Now, I am not invoking the impending exhaustion of the 1 % rate as a reason for cuts the Council has made, but what I am saying is that, in view of that impending event, it is unrealistic to include in the Community budget appropriations which have little or no likelihood of being spent.

I turn now to the draft Community budget in some more detail.

The draft budget amounts in round figures to 16 000 million EUA for commitment appropriations and 14 900 million EUA for payment appropriations. These figures compare with the totals of 14 700 million EUA for commitment appropriations and 13 700 million EUA for payment appropriations in the 1979 budget. The percentage increases over 1979 are 8.74 % for commitment appropriations and 8.69 % for payment appropriations as they stand at present. But let me reiterate that these figures will undergo a slight upward modification when the EAGGF rectifying letter is taken into consideration.

If we look briefly at the Commission budget, sector by sector, we shall see that EAGGF expenditure again, at around 70 % in commitment appropriations, dominates the expenditure of the draft budget. The amounts involved correspond to the best estimates available of the obligations arising from existing legislation.

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It must not be forgotten that the high percentage of the budget represented by agricultural expenditure is the result of the fact that market policy and its financing replace national expenditure in the agricultural sector.

It should also be borne in mind that in this difficult time for Europe, the operation of the common agricultural policy has a stabilising effect on the economy in general.

In an attempt to ensure that the structural side of the agricultural policy is developed, the Council has agreed to the entry of provisional appropriations in Chapter 100 in respect of a number of actions which seem likely to be agreed in the course of the coming months.

Next, the social sector. The situation in the social sector continues to be a major preoccupation for the Member States. In the Community the full amount of the commitment appropriations for the social sector relates to the Social Fund. The Council has increased the capacity of the Social Fund for 1980 as compared to the 1979 budget, so that it can respond to at least the most essential needs at Community level, despite the rather strict constraints applied to the draft budget.

The overall commitment appropriations for the Social Fund in the draft budget show an increase of 7.7 % over 1979. This increase masks substantially higher increases in certain areas of the Fund's activity. For example, in the case of measures for young people the Council accepted the full amount of the commitment appropriation of 250m EUA proposed by the Commission — an increase of almost 9 % over 1979. A more significant increase — 25 % — has been made by the Council in the commitment appropriations for aids to promote the employment of young persons. These areas of Social Fund activity are clearly very important in the face of the serious unemployment situation amongst young people throughout the Community.

The payment appropriations for the Social Fund in the draft budget show a reduction from 1979. In deciding on the payments figure, the Council took account of the rate of take up of payments in recent years and of the likelihood of a substantial carry over of payment appropriations from 1979. The Council has however declared that, for its part, it would be prepared to accept that additional funds be put at the disposal of the Commission in accordance with the appropriate procedures, should the need arise during 1980.

The settling of the commitment appropriations for the Regional Fund was an issue which gave rise to extensive discussion in the Council.

When it was deciding on these appropriations, the Council was fully aware that the correction of regional disparities requires an effort, as has often been stressed

by Parliament. In the 1979 budget the Council already made an effort to meet Parliament's wishes by accepting a figure substantially higher than the one envisaged in the draft budget it established in July 1978. This year again the commitment appropriation of 850 m EUA, provided by the Council, must be seen in the light of the figure that the Council could have chosen if it had stuck to the schedule initially envisaged.

As far as the payment appropriations are concerned, a figure of 527.5 m EUA has been decided by the Council for payment appropriations for the Regional Fund. This amount should be sufficient to cover payments likely to arise in 1980.

In the same budget title as that devoted to the Regional and Social Funds the Commission had proposed a special contribution of 100 m EUA to the European Coal and Steel Community. Even if there were already agreement within the Council to grant this aid — which is not the case — there are certain legal problems which may well prohibit the entry of such an item in the budget. In the circumstances the Council has deleted this entry.

While I implied earlier that the energy research, industry and transport sectors had borne a considerable share of the reductions made by the Council in the amounts proposed by the Commission, this should not blind us to the fact that the sum total of commitment appropriations accorded to policies in these fields by the Council is over 60 % higher than for 1979. Once again, I feel justified in making this comparison with the 1979 budget and pointing to the fact that included in the Commission's proposal were such actions as financial support for projects in the transport sector (50 m EUA), a whole range of projects in the research sector (59 m EUA) and industrial reconversion activities (45 m EUA) in respect of which basic decisions are not likely to be taken in the near future.

If the appropriations allocated to the cooperation and development sector seem to imply a large reduction of activity in this sector, this reduction is merely an apparent one, caused by the transfer of food aid restitution costs and ACP sugar costs back to the agricultural sector of the budget. In fact, both for food aid, in terms of the tonnages involved, and for the important Article 930 — Financial Cooperation with non-associated countries — in terms of credits allocated, apart from reinscriptions, Community activity is maintained at the 1979 level.

I turn now to administrative expenditure. First of all the Council took note of the provisional estimates of the Parliament for 1980. As far as the other institutions are concerned, the Council adopted a strict approach towards administrative expenditure in line with its general policy of restraint. Particularly in

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times of financial stringency appropriations for administrative purposes must be viewed with a very careful eye. In fact the Council, noting that certain administrative appropriations were not fully utilised during the past few years, took the rather unprecedented step of imposing a global reduction on certain of these appropriations.

I think that, Madam President, concludes what I have to say on the expenditure side of the budget. On the revenue side, I would merely like to mention that on the basis of the draft budget adopted by the Council, the rate for the VAT basis of assessment is 0.7421 %. That rate will, of course, need to be reviewed and, if necessary, revised slightly in the forthcoming rectifying letter.

My presentation of the draft budget would not be complete were I to exclude mention of certain other budgetary questions which are generally referred to as 'horizontal issues'. Two of the main issues involved arose directly in the preliminary draft budget — namely the question of budgetising the European Development Fund and the question of budgetising borrowing and lending operations.

The Commission proposed in the preliminary draft budget to open new Chapters — Chapters 90 and 91 — for the 5th European Development Fund. Because of the agreed method of financing the 5th EDF, which is to be by way of national contributions from Member States calculated on an ad hoc scale, the Council was unable to retain the Commission's proposal.

As regards the budgetisation of borrowing and lending activities, the Council did not agree to the Commission's proposal to create a new Part II of the budget for these operations, because the proposed amendment of the Financial Regulation to provide the legal basis for the new format is still under discussion. While it is the Council's intention to continue its discussion of that proposal, the Council felt that its decision on the draft budget should be taken on the basis of the legal position as it exists at the moment — that is, that borrowing and lending activities should be included in an annex to the budget.

No doubt these questions, and I am sure other so-called horizontal questions as well, will arise in our discussions in the weeks ahead in the budgetary dialogue.

Finally, I feel I must mention something that I am sure is on everybody's mind, that is, the fact that any acceleration in expenditure will bring us closer to the 1 % ceiling on VAT. The problem of budgetary revenue is going to become acute. It is the responsibility of the Community Institutions to think seriously about this. I would point out in this connection that you yourself, Madam President, called attention on 18 July last to this problem.

To use your own words, I note, just as you did, that the revenue problem will be the primary problem to take into account in the coming years, and that the Parliament, in its capacity as representative of all the citizens — that is all the taxpayers — of the Community, will of necessity be in the front-line of any efforts to solve it.

Thank you for your kind and careful attention.

IN THE CHAIR : MR MØLLER*Vice-President*

President. — I call Mr Tugendhat.

Mr Tugendhat, Member of the Commission. — Mr President, may I begin on a purely personal note. I think the applause which the House gave to the Minister when he sat down pays tribute to the fact that even if it is not easy to deliver an unwelcome message, and to have to say things which one knows one's audience is not particularly anxious to hear, it is nevertheless possible to do that very well, and it is possible to win the respect of those with whom one finds oneself in disagreement. On this occasion, unhappily, I find myself in disagreement with the Council; I find myself in disagreement with some of the decisions which were taken. But the disagreement is certainly tinged with a good deal of personal respect.

The disagreement, of course, arises from the approach of the Council and from the way in which a number of our proposals were dealt with. But I will not, on this occasion, make either a long or a powerful speech. I explained with vigour and as fully as I could what our views were, what our priorities were and why we had reached them in my speech in July. And I will, of course, have another opportunity to do so when I speak to the House during the special budget part-session early in November.

My task today is to comment on what the Council has done. The main dialogue is between the Council on the one hand and Parliament on the other, and I would not wish to come between them. My speech will not cover all the issues that have been raised by the President-in-Office, nor all the issues which will no doubt be raised from the floor. But I will, no doubt, have the opportunity at the end of the debate to touch on anything which is of particular concern, and which is not included in what I have to say at the outset. At the outset I simply want to concentrate on the central issues of budgetary strategy which have been placed very firmly in front of us by the actions of the Budget Council.

The first point I want to make is that the proposals which we brought forward in our preliminary draft budget arose from what I think it is fair to call an

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agreed background. The background to the 1980 Budget is one which, when we drew up our proposals, really did seem to be agreed between the Council in its various forms and the last Parliament, and there is continuity between the last Parliament and this one. We believe that our proposals were also very much in line with the statements of intent and the declarations and communiqués issued by the European Council.

Let me illustrate what I mean. Parliament passes each year a resolution on the guidelines for the forthcoming budget. The resolution passed in March this year by Parliament was quite clear on the priority objectives for the 1980 budget. It supported measures on unemployment, industrial restructuring, energy, regional policy and — I quote — ‘a better balance between agricultural expenditure and other budget appropriations’. That was what Parliament agreed. That was what Parliament established.

Now, let us look at the European Council. The European Council has, over several years, been preoccupied with much the same issues as those listed in Parliament's guidelines. The priority given to each issue has, quite naturally, varied from time to time. But certain priority actions for Community attention clearly emerge from the communiqués of the European Council. All of us, I think are familiar with them: unemployment, the restructuring of certain industries, the coordination of economic policy, convergence of our economies and reduction of regional disparities. Energy, too, features frequently in the communiqués from the European Council. The Copenhagen Council in April 1978 talked of the pursuit of greater internal cohesion, implying also a reduction in regional imbalances which constitute one of the key objectives of the Community enterprise. The Strasbourg Council in the summer reverted to the theme, and successive Council meetings have indicated similar priorities.

In the budget procedure, of course, we attach a particular significance to the deliberations of the Joint Council of Finance and Foreign Ministers in April; that Joint Council expressed views about the role of the Community budget in supporting the priorities laid down by the European Council and arising from the deliberations of Parliament. The Joint Council of Finance and Foreign Ministers in April stressed — and here, again, I quote from the communiqué — ‘the common concern of all delegations that the Community budget should be more in line with current needs’ and — I quote again — ‘the need to exercise strict economy in managing Community policies’.

The Commission has also been for some time stressing the need to follow such a strategy. The strategy which Parliament wants, the strategy which the Council wants, is also the strategy in which we, in our own right, believe. And when we presented our preliminary draft budget for 1980, we therefore felt that we were not only producing something in which

we believed, but that we were also reflecting the views of this institution, of this Parliament, as well as the views of the Council.

We responded to the motions, the deliberations, the communiqués by urging the need for restraint, and by suggesting that there should certainly be restraint in the agricultural field. The fact that three-quarters of all agricultural expenditure now goes on storage, price support and export restitutions indicated clearly to us that there was, to say the least, scope for restraint in this field. We also, of course, proposed an increase in non-compulsory expenditure, which covers the agreed priority areas: the Regional Fund, the Social Fund, industrial restructuring energy projects, and the rest — all things which the Parliament had dwelt on before, all things to which we knew the Council and the European Council attached great importance.

The overall increase we proposed in non-compulsory expenditure was, as the President-in-Office of the Council says, 44%. He said that this was a large figure in anyone's language: and, of course, put like that, 44% is a large figure in anyone's language. But figures do have to be put in a context, and what we are talking about is, of course, a very, very small proportion of the present budget. We are talking about something which at the moment accounts for a very small proportion of the total budget, something which is very small in proportion to the Agricultural Guidance Fund, for instance; and we were talking about something which had to increase. In the early stages, obviously, when one is just beginning an energy policy, just beginning an industrial policy, when one only has a very modest regional fund, if one is to do anything which is to make any impact on a Community scale, it is necessary, in the early stages, to have large percentage increases. But those large percentage increases must be seen in the context of the starting point. Let me therefore produce another figure — I shall try not to burden my speech with too many figures — which I think should be set against the 44% figure to which the President-in-Office quite fairly referred. The proposals in our preliminary draft budget would have secured a very modest increase in non-compulsory expenditure from 21.5% of the total budget to 25.3% of the total budget. We were asked to respond to requests, to react to communiqués, to give greater priority to a variety of fields: regional, social, industrial, energy and all the rest. And I really do not think — and I do not think that the President-in-Office could think either — that to increase the share of the budget taken by these programmes from 21.5% to 25.3% is a massive increase in anyone's language. It is not a massive increase at all. Indeed, it is a very modest increase from 21.5% to 25.3%. We have to start sometime, and that seems to me a start which not only reflects the priorities which we were given but also is very much in keeping with the necessity for restraint.

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Against that background, let me look at some of the things which have actually happened. Let me make the comparisons also between the preliminary draft budget and the draft budget. First of all, the whole direction of Community policy, the pursuit of priorities agreed by all the institutions, the furtherance of a widely accepted budgetary strategy of greater balance between different sorts of budgetary expenditure have all, as a result of what happened in the Budget Council been put in doubt. Indeed, I must say that they would appear to have been substantially reversed by the decisions of the Budget Council and, of course — one must look at these in the same context — the decisions by the Agricultural Council.

Let me first take the decisions by the Agricultural Council. It is appropriate to do so, partly because they came first in terms of time and partly, of course, because they concern such a very very high proportion of the total budget. The views of the Commission on the settlement reached by the Agricultural Ministers are already well known, and I do not want to go into them further. But I must stress that the budgetary consequences are serious, adding well over 1 billion — 1 billion — EUA to the agricultural bill. Now, I agree with the Council, I agree with the President-in-Office, that we must all be conscious of the imminent exhaustion of own resources. I agree that we must look at what we do in the context of the imminent exhaustion of own resources. I do not know whether the House thinks that 1 billion EUA on the agricultural bill reflects great concern by the Agricultural Council on that particular point, but certainly, as a result of the huge increase to the agricultural bill decided upon by the Agricultural Ministers, I am safe in saying that we are an awful lot nearer the ceiling than we would have been if they had not taken those decisions ...

(Applause)

... and there is a lot less for the other programmes. I do not think anybody could disagree with that.

Now, as a result of the decisions taken by the Agricultural Council we have, of course, also had to introduce a supplementary budget. My speech today is about the 1980 budget, but I think, if the House would bear with me, it is probably worthwhile for me to digress and deal for one brief moment with the decision which we took yesterday in the Commission to forward to the budget authority a supplementary budget to meet agricultural guarantee expenditure expected to arise in the last few weeks of 1979. Because of two factors — the effects of the prices package to which I have just referred on agricultural expenditure and unanticipated developments in the market — it is now clear that the existing appropriations will be insufficient. That has been clear for some time and I have, of course, had questions put to me in this forum as well as in others by your rapporteur. It was quite clearly only a matter of time before we intro-

duced a supplementary budget. We delayed introducing it because we wanted to introduce it when we were as sure as possible that the figures we were going to put into it were as right as possible — and we'd got it right, we thought, on Friday. But then, of course, as the House will know, certain events took place over the weekend relating to currencies, which meant that all the work which we had done on Friday, and which we thought had actually at last got the figures as precise at this stage as we could, was thrown into doubt.

The increased expenditure will be of the order — and I do emphasize of the order — of 800 million u. a. though I would also like to point out that the increase in own resources needed to finance that expenditure will, we believe, be less. There has been an increase in the amount we are getting from customs duties, and therefore it would not be right for people to assume that because the expenditure will be of the order of 800 million more, the amount of own resources needed will be of the same magnitude. It will be less, although, as I say, it is difficult for me to be too precise about figures because of the unanticipated events that took place over the weekend.

We have had the decisions to revert to the 1980 budget, we have had the decisions of the budget Council which, rather than limiting the damage resulting from the prices settlement, actually, in our view, made that settlement worse. We had been talking earlier about the need to get a better balance between agricultural and non-agricultural expenditure. We had been talking about the need to balance restraint in the one field with increasing the Community's activity in the other. As a result of the decisions taken by the two Councils, by the Budget Ministers coming after the agricultural ministers, we find that in all the areas to which the European Parliament has some access, in all the areas in which the European Parliament has some leverage, everything has been held back, while in the areas of compulsory expenditure — above all, of course, agriculture — where the Council is dominant, everything goes on upwards. In other words, there is a very considerable imbalance. We find that while there has been this huge restraint on the non-compulsory expenditure, the amount going on agriculture will now increase next year by about 19 %. It is a lot, but actually it is more or less what agricultural expenditure increases by in most years. It is very important, therefore, that the Ministers say they have to bear in mind budgetary restraint — which they do. We can accept that we cannot always do all that we would want in the regional, social, or industrial fields — I know we can't, and the House knows we can't. But some people seem to be able to do what they want, notwithstanding the restraint, and I am sure that those people in this House who have an interest in regional policy, or an interest in industrial or social policy, would be very pleased, would

Tugendhat

regard it as really quite remarkable, if their programmes could increase by 19 %. I'm sure we would all settle for that.

(Applause)

But, of course, in this world it is only one lot of people that are able to get that kind of settlement.

We have all agreed in the past, as I have said before, on the need for a better equilibrium, and I pointed out how our proposals would increase the proportion of non-agricultural expenditure from 21.5 % to 25 %, a very modest increase. But as a result of what has happened now, we find that the proportion of non-agricultural expenditure in the 1979 draft budget compared with the previous year has actually diminished; we find that the proportion of non-agricultural expenditure in the budget we are talking about for 1980 will actually be less than in the budget which is in operation in this year. In other words, instead of all the programmes which I have been mentioning in the regional, industrial and social fields actually taking a slightly greater share of the Community budget, they will take a slightly smaller share of the Community budget. I really do not believe that that is in line with the priorities which any of us wish to see.

We have all agreed in the past on the need to deal urgently with the energy crisis by reducing our dependence on imported energy. The Strasbourg European Council was quite specific on the need to encourage the use of coal, and to develop new energy resources, and Members here yesterday underlined the anxiety of Parliament that such action should be taken. Yet, as my colleague, Viscount Davignon, pointed out, our proposals for an operational reserve for coal, for developing new energy technologies, and for other specific actions on energy have all been cut out; and, of course, I could go on for a very long time in a similar vein. The axe has fallen, regardless of the wishes of Parliament, regardless of the priorities of the European Council, regardless of the need to sustain ongoing policies, and regardless even, sometimes, of requests made to us by the Council. Some of the things chopped out are actually things which we had been asked to put in, quite specifically, by the Council.

Among all the casualties there is one which I would also like to bring to the attention of the House, and to which the President-in-Office referred, namely the question of staff, because the question of staff is one that is absolutely fundamental to our ability to carry out the duties which are laid upon us by the Council and by Parliament. If we do not have an adequate staff, we are not able to do what we want. Here I would, if I may, just like to refer back to a little bit of recent history which will certainly be familiar to the Members of this House who were in the last Parliament, and to the Council, which of course was also

present last year. Last year, as a result of the dispute between Parliament and Council on the budget, the Commission received very few of its staff requests; this was not intended, it was an accidental result of a major constitutional battle. We received very few. This year, we have asked for an increase of 4.9 % in permanent staff, excluding linguists, for 1980, and the Council has cut our request to 0.8 %. Now, I agree with what the President-in-Office said about the need for restraint in administrative matters. I agree that our Institution, the Council, the Parliament, must be very careful indeed about the requests which they put in for staff, and they must expect to have their staff requests very carefully looked at. I agree with all that. It may therefore be appropriate to put into perspective the figures which I have just mentioned. We asked for 4.9 %, and the Council is suggesting that we should have 0.8 %. Now the Council itself actually asked for an increase of 6.9 %, and is going to get an increase of about 4 %. Well, sauce for the goose and sauce for the gander.

(Laughter)

I would have thought that 4 % was a very reasonable figure, if I may say so to the Council, and I hope very much that they will see their way to applying the same sauce to our piece of meat as to their own piece of meat. I think we will then live more happily together than would otherwise be the case.

(Applause)

I would also, if I may, like to go back to another piece of recent history, because it does help to put our request in context. When one looks at the rate of increase in our staff, I think it is fair to compare it with other institutions. The European Parliament has of course been preparing for some time for the direct elections, which took place, in the event, later than expected, and it has been preparing for some time for the increased workload that a much larger Parliament would bring. Between 1973 and 1979, the permanent staff of Parliament has grown by about 11 % a year.

Now I understand that when there is a much larger Parliament it creates more work. But it does not only create more work for the Parliament, it creates more work for us too, because there are more questions, there are more committees, there are more motions, there is more of everything. And the extra work that you have created for this institution also involves extra work for us; I hope very much that the point will be borne in mind when you look at our staff requests. The Commission is, by any reasonable standards, a modest bureaucracy, struggling to cope with an ever increasing number of tasks, and it really is inevitable, if we are kept short, that there will be complaints about delays in our administrative procedures, about the implementation of programmes, about producing documents, and all the rest of it. I would ask you to bear that point in mind.

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I near my conclusion, Mr President : what are we to make of the situation in which we find ourselves ? What are we to make of what has happened ? There are two conclusions which I think one can logically draw : I do not want to sound inflammatory, I say what I am about to say because I believe that it is a constructive contribution to finding a better way of enabling our Community to work effectively. The two conclusions are these : one is that the Council does not believe that the Community budget has a significant contribution to make in the promotion of the Community's policy priorities. That is one conclusion one could draw from the slashing reductions that have been made, particularly on the non-agricultural programmes.

The other conclusion which one might perhaps draw is that the Budget Council is taking over from the Council as a whole, and indeed from the European Council, the coordination of Community policies and the formulation of priorities. What I mean by that — and I say it in all friendliness — is that we look at the communiqués from the European Council, we listen to the advice and to the instructions which come from the Council of Ministers, we respond to the requests to alter our priorities, to undertake certain programmes ; but the proof of the pudding is in the eating, and the proof of the pudding is what happens to the programmes when they come before the Budget Council — that is the difficulty, that is the problem which we have to overcome. Everything which was said in other fora suddenly seems to fritter away like a handful of dust when it comes before the stern and unyielding gaze of the Budget Ministers.

Now the Commission cannot accept the first conclusion : it cannot believe that the Council does not think that the Community budget has a significant role to play. I really do not believe either that the second conclusion — that everything is being taken in charge by the Budget Council — really represents the reality of how the Community should work, or how we want the Community to work, or even how it is working now. What has happened is surely the result of a range of misunderstandings. one can draw all sorts of conclusions from the situation, one can draw the conclusion that they do not care about the programmes, that they do not want the budget to develop ; but I do not think that that is the conclusion which one should draw ; the conclusion which I think perhaps one has to draw is that, whereas budgetary criteria have played far too little a part in the fixing of agricultural expenditure, they have played far too great a part in the fixing of other expenditure. ...

(Applause)

... Lack of control in one area has led to overcontrol in the other, and both Councils have found themselves in an impossible position. This lack of a clear coordination, of an internal consistency in the

Council is bad for the reputation of the Community ; it does hinder effective action on policy priorities, and it does make it more difficult to establish harmonious working relationships between the Community institutions in the course of the budgetary procedure. It is, I believe, in the interests of all concerned that the Council should consider the problem seriously. I believe that a way *must* be found to bring economic, financial and budgetary criteria to bear on agricultural expenditure.

I myself believe that this means that the finance ministers must become more directly involved in the framework within which agricultural prices are set. The President-in-Office of the Council mentioned very fairly the shadow that the impending exhaustion of own resources casts over us. And bearing in mind that shadow, I think that what I have said about the finance ministers really is the least that is required if we are to prevent an impossible situation from arising.

For, Mr President, we must make our actions match our words. In the Community budget we have the opportunity to give substance to our declarations, to our speeches, to our communiqués. The draft budget, as it has emerged from the Council, falls far short of those objectives. The degree to which it falls short can be summed up in one question : does the Council believe that the one billion European EUA in agricultural expenditure, mainly in support of milk and sugar production, and the one billion cut in the non-compulsory expenditure really represents a right order of priorities ? Is it really confident that an extra billion for agricultural expenditure is essential for the proper functioning of the CAP and designed for purposes more urgent, more valuable and more central to the objectives of the Community than the 1.13 billion which the Council has cut from regional, social, industrial and energy policy ? Can it really say that that is the right order of priorities ?

(Loud applause)

I really believe that it cannot say that.

We have a complicated and involved budgetary process in the Community. There is time and opportunity in our budget process for second thought. There is time for misunderstandings to be eradicated. First of all Parliament has its say ; it has its say today, it will have its say again in the special budget part-session in November. The Council still has another session to go. I believe that we have an unsatisfactory situation now, I believe that we have a draft budget which does not reflect the priorities which we the Commission, which you the Parliament, which the Council itself believes in, and I hope very much that as a result of the lengthy procedures and different stages which we must go through, we shall have a chance to rectify some of the errors, to get the ship back on course and to get our financial proposals, our figures, our budget-

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tary objectives in line with the deeper political objectives which all of us, Council, Parliament and the Commission, believe in and aspire to.

(Loud applause)

President. — I call Mr Dankert.

Mr Dankert, general rapporteur. — *(NL)* Mr President, as Mr Tugendhat quite rightly pointed out, there is every likelihood of this budgetary autumn becoming a very hard autumn indeed. The European Parliament has to prove itself, especially in the budgetary procedure which has now got under way, and that is in itself no easy matter. Time is not on our side, and knowledge of the rather complicated budgetary procedure in this House is bound to be still rather scanty. Nonetheless, I know this House fully realizes that the future of the European Parliament and the budgetary procedure are very closely linked.

We are strengthened in this respect by the fact that we — as Members elected to carry out a specifically European task — carry considerably more political clout than our predecessors. If we fail to use this strength sensibly we shall — come Christmas — have frittered away a large part of the goodwill invested in us by the voters in June. If, on the other hand, we succeed this House will become a powerful factor that the other European institutions will have to take careful account of — more account, perhaps, than they would like. That is the challenge facing us in this budgetary procedure, a challenge which I hope that you, ladies and gentlemen, will rise to. I am prepared to do what I can on your behalf to ensure that by Christmas we shall be able to look back with at least some satisfaction on this budgetary procedure, but whether we do or not depends not only on you and me.

Which brings me to the second reason why I anticipate a different autumn. Our success depend in part on the other institutions which, along with us, are responsible for seeing the 1980 budgetary procedure through to a satisfactory conclusion: in other words, the Council and the Commission. Because today's debate concerns the Council, I shall not have much to say about the Commission. But let me just make the point that, although I fully appreciate the reasons for the Commission's complaints about the Council's draft budget, I just wonder whether those complaints might sound a bit more convincing if they did not emanate from a Commission with so much on its own conscience. For instance, the Commission knows perfectly well how far short the possibilities open to Parliament under its powers under Article 203 fall of restoring the Commission's draft budget.

We can only conclude that, either the Commission takes its draft budget seriously, in which case it must realize that the Council has been utterly irresponsible in the changes it has made, come to the conclusion

that Parliament has no earthly chance of restoring the original appropriations and therefore resigns, or the Commission does not take its own draft so seriously after all, accepts compromise after compromise in the Council, admits bravely in public that the European Parliament is faced with an impossible task, and goes off in its air-taxi to seek consolation in another bunch of fresh flowers or a convivial noggin.

Mr President, it would appear that the Commission clearly favours the second alternative and is simply not prepared to accept its political responsibility, in which case I do not think the Commission has any cause for complaint. What are we to think of a Commission which, in this very place as recently as July, moaned its heart out about the — indeed from the point of view of budgetary balance — abominable decision taken in June by the Ministers of Agriculture, and then, only a few weeks later and entirely unprompted, added an amendment revising the draft by 1.3 thousand million units of account? Why did it not leave the Council of Budget Ministers to carry the Agriculture Ministers' can?

But my criticisms go further than this. The Commission lets the Council run all over it in too many fields. What point is there in the Commission assuring us of its respect for the European Parliament if it then goes and effectively collaborates in the undermining of this House's powers as one arm of the budgetary authority by way of the Council's planning decisions, the financial provisions of which cannot — according to the Council — be tampered with? What is the use of a Commission which does not warn Parliament in good time that the Council is threatening to undermine the Commission's executive powers with respect to aid to non-associated developing countries by setting up a procedure for the management committee whereby a minority in the Council is given the opportunity to defer the expenditure of development aid *ad infinitum*? What is the use of a Commission which presents a draft budget and then, in the course of negotiations with the Council, shows itself quite ready and willing to make do with smaller amounts in a variety of fields without informing Parliament that the sums included in the draft budget have subsequently been amended downwards?

Finally, what is the use of a Commission which advocates all manner of changes during the procedure involving Parliament, when it becomes clear at the end of the budget year that they have failed to make the amendments which they themselves requested? If Mr Jenkins expects me to take what he said about the importance of direct elections seriously, then he too should realize that I am perfectly serious in saying that it is unacceptable for amendments voted by this House, and which were not turned down by the Commission, — and I do add that condition — not to be put into practice.

(Applause)

Dankert

Mr President, politics is a serious business everywhere, and that includes Europe. It simply will not do to shirk freely accepted responsibilities accepted when the going gets tough — and I certainly would not deny the fact that circumstances are at present not very propitious for the Commission. A lot of what Mr Tugendhat says in that respect is justified. But even in this difficult situation, the Commission must not evade the responsibilities imposed on it by the Treaties. I have known any number of Ministers in national governments who have resigned because they thought that circumstances had made it impossible for them to discharge their responsibilities any longer. I have never known a Commission to resign.

All this should not detract from the fact that — as I said in a different context in July — this House felt some admiration for the preliminary draft budget in that the Commission appeared to be on the right path. This, I think, is an important point. It goes without saying that I do not have the same admiration for the Council's draft.

There is now a great temptation to call on this House to be ready to reject the Council's revised draft of the budget. I am afraid, though, that — if I give into this temptation — I shall be leaving myself wide open to the criticism that I am myself no better than the people I am attacking for shirking their responsibility when the going gets tough. Consequently, I shall do no more than say that, in my opinion, the Council's draft budget deserves to be rejected unless some agreement can be reached with the Council between now and the end of the budgetary procedure to amend the Council's draft to obviate the danger that escalating expenditure in the Guarantee Section will put a complete stop to non-compulsory expenditure. The Council knows full well that there is a very real danger of this happening.

The Commission has just announced that it will be bringing in a supplementary budget covering something like 800 million units of account, 500 million of which will come from VAT. But, after the recent disruptions on the international money markets, with the renewed weakness of the pound and the revaluation of the Deutschmark, there is no knowing whether now, as yet unforeseen expenditure on monetary compensatory amounts will have to be financed from the Community's available VAT resources. This development, together with the unpredictable rise in agricultural expenditure — and let us not forget that such expenditure always rises more quickly in practice than was forecast — means that, by next year, we shall be very close to the ceiling of our own resources. This fact is acknowledged by both the Council and the Commission.

A quick calculation shows that the Council's draft budget will account for something like 75 % of the

VAT resources, and the Commission's supplementary budget will boost that figure to something between 80 and 85 %, depending on developments. Parliament's amendments will add another few percentage points on top of that. That will bring us dangerously close to the limit, and let us not forget that the Community's surpluses of agricultural produce are increasing all the time. Our sales — on the world market may not be too bad this year, but there is no knowing what will happen next year. Apart from the question of milk, tomatoes, wine, cereal feedingstuffs and meat are becoming more and more of a problem, a problem which the Member of the Commission illustrated very clearly by reference to the consistent annual rise in expenditure in the Guarantee Section. It is all very well for the Commission to have assumed for the purposes of its calculations that imports of tapioca can be stabilized but the fact remains that no agreement on this point has so far been reached in the Council, and the question of whether or not this constitutes a possible opening for other substitutes for cereal feedingstuffs is also a very difficult one.

Mr President, an additional factor is that the Agriculture Ministers' decisions on prices for 1980 are as unpredictable as the weather, as Mr Gundelach unfortunately discovered this year. If things go against us, we might even break through the ceiling the year after that. The crucial problem, of course, is that of new own resources, and there is no prospect whatsoever of them coming our way. Council, Commission and the European Parliament are all in the same boat, and that boat has got into very deep water indeed. If we fail to get together to stop the ground swell of the Common Agricultural Policy from swamping the boat, we shall all go down together. I am sorry that, in drawing up the draft budget, the Council thought that with a bit of fancy footwork it could commit the Commission and the European Parliament to the waves to enable it to survive another few months before inevitably drowning in its own milk lake.

Mr President, we in the European Parliament are reasonable people who have been elected by other reasonable people to give shape and context to their demands. As you yourself said, these demands cannot relate exclusively to the Common Agricultural Policy. More than ever before, other policy sectors are at stake. I have no argument with Article 39 of the Treaty which relates to agricultural policy. Indeed, I firmly believe that a sensible agricultural policy must be pursued, which also devotes attention to the problem of the lower income groups in the agricultural sector.

But can we convince the people who voted for us that the problem which is caused by the distinction drawn between compulsory and non-compulsory expenditure

Dankert

will eventually cause us enormous problem? Perhaps the Council would care to try to explain to the voters that the food aid which the Community will be giving under the terms of the International Cereals Agreement ranks as compulsory expenditure, whereas the Member States — who are signatories to the Agreement in their own right — make no mention of our so-called compulsory expenditure in their own budgets. Or, to take another case, perhaps the Council would care to explain how it can cut or entirely scrap budgetary appropriations — which even the Commission regards as compulsory expenditure — earmarked for commitments under the terms of international agreements.

There is simply no rhyme or reason to this kind of behaviour. Nor does it have much to do with politics. The difference between compulsory and non-compulsory expenditure is nothing more than a trick invented by Eurocrats and ministers who do not care for the idea of parliamentary control to protect a particular policy from interference from politicians.

In short, it is a violation of democracy itself, and it seems to me that we shall have to talk about this in the conciliation procedure.

(Applause)

Mr President, let us get back to the cash, to the mid-September draft. By treating the distinction between compulsory and non-compulsory expenditure as a sacred cow, the Budget Council has got both itself and this House into a pretty pickle. In its fear of reaching the upper limit of own resources too quickly, the Council has sought to wield the axe over non-compulsory expenditure in an unacceptable manner. I entirely agree with Mr Tugendhat on this point.

Worse still, I have a sneaking suspicion that, for instance, the Regional Fund has been cut from 945 000 000 in 1979 to 850 000 000 in 1980 because a number of faint-hearted members of the Council were counting on this House to release between 100 and 150 000 000 units of account from its margin to see that the Regional Fund was nonetheless tolerably endowed in the budget.

On this I would simply say that picking from somebody else's pocket remains theft, even if it's for a good purpose.

Another conclusion arising from this point may be of greater importance. The Council's draft budget testifies to the fact that the Budget Council has no intention whatsoever of picking up the tab for policies formulated by any Council other than the Council of Agriculture Ministers. By its attitude on this point, the Budget Council has lowered itself to a second-grade Council, and I think this is likely to create a good deal of difficulty.

I really do wonder whether, in the next couple of months, we and the Council will be able to solve the very serious problems facing us.

Of course, cutting back expenditure is not in itself a policy. I have nothing against spending cuts; after all, the people who elected us are taxpayers and the more we bear this in mind, the better. It is their money we are talking about not ours. But such cuts can only be justified if the cuts can be placed in some relation to the policy concerned. In the Community, we have a paradoxical situation whereby the Budget Council wields the axe in policy areas which are the preserve of other Councils and whereby the Budget Council has not even tried to get expenditure under control despite the fact that everyone agrees that this is vital. In this respect, I entirely agree with what Mr Tugendhat said about the need to integrate the finance ministers into the agricultural price-fixing process.

Let me take one more example of a breakdown in coordination between budgetary policy and overall policy — energy policy. Our great helmsmen in the European Council, the lower-ranking officers in the ordinary councils, President Jenkins and others have made a great song and dance and passed resolution after resolution on the need for a European energy policy. And much good has it done us, to judge by the Council's draft budget. Here we see that expenditure on coal has been scrapped, expenditure on the exploitation of hydrocarbons has been cut and prospecting for uranium is now virtually impossible. As far as alternative energy sources and energy-saving is concerned, the amount of money made available is — in relation to the size of the problem — a mere pittance. All the fine words about energy policy at European level apparently mean no more than the continued duplication of activities at national level and hence the continued squandering of resources which if properly managed could have been put to better use at European level.

While I am on the question of retrenchment, I mentioned just now the European Regional Development Fund. I expect the Council to tell me that I am wrong about that, and that of the 945 000 000 units of account set aside for 1979, only 229 000 000 had been committed and only 33 000 000 actually paid out by the 31 August this year.

But if that is so, I just wonder why it is that so few commitments have been accepted? Can it be that certain Member States find that the 945 000 000 EUA they set aside last year with our agreement was too much after all, and are now trying to prove as much by dragging their heels over using the money? I have no evidence, but I have my own ideas about that.

Dankert

What I do know for sure, however, is that the Commission has so far had no chance — thanks to pure sabotage on the part of the Council — to spend or even commit a single penny from the non-quota section of the European Regional Development Fund decided on by the Council itself this year, although the whole idea of this non-quota section was to give the Commission at least the chance to take integrated measures to get a structural policy worthy of the name off the ground for certain specific poor regions of the Community.

As far as industrial policy is concerned, the picture is not much better. The only obvious policy here is to apply the red pencil with gusto, deleting anything and everything. Nor is the picture any brighter as regards social policy. The 100 million u. a. for ECSC subsidies have been scrapped for vague, legal reasons, although I admit that there are quite a number of problems in this field.

But that is no reason to eliminate an important policy sector. This leaves what was a fairly substantial amount unaffected in the social sector, although we then have to ask ourselves — in view of the increasing unemployment problems and the fact that there is constant pressure to increase expenditure in the social sphere, something the Commission cannot do even at the present time — whether cuts in this sector are a solution in themselves, or whether in fact the opposite line should be taken, and the amount of money increased.

Mr President, let me just comment briefly on the administrative expenditure, which is something Mr Tugendhat spoke about at some length. I can go along with the Council's very cautious attitude with regard to the Commission's excessive requests for additional staff. Even allowing for the unfortunate course of events which Mr Tugendhat illustrated by reference to the 1979 budgetary procedure, it is not possible to meet all the Commission's wishes. But neither can we go along with what the Council has done! The allocation of an extra 70 posts to the Commission has as little to do with a staff policy as the rather unspecific proposals put forward by the Commission itself. I quite realize that the Commission has certain justified requirements, and we shall have to devote careful attention to the extent to which these wishes can and should be met. Of course, it is quite right and proper that those sectors which can point to genuine needs should get the staff they require.

How should we go about tackling these difficult questions? This is not the right time for suggesting detailed solutions; that is something we can do at our special part-session on 5-7 November. For the moment, I should just like to throw out a few suggestions on the main points. Despite the Commission's

constant attempts to pull the wool over our eyes, the truth of the matter is that between 1974 and 1978, the EAGGF Guarantee Section compulsory expenditure rose by something like 300 %, compared with a rise of only 200 % in non-compulsory expenditure over the same period. This clearly shows that the budget is growing awry and underlines what Mr Tugendhat said — using different figures — about the same problem.

It is time to put a stop to this trend, and one way of doing so might be to earmark a relatively large proportion of any new own resources for the structural funds. However, the current political situation makes it unlikely that there will be any new own resources in the near future. And even if we did get any, they would certainly not come in time to prevent further distortion of the budget.

In my opinion, there is only one way of bringing more balance into the budget, and that is by shifting expenditure earmarked for the agricultural market and price policy to the structural policy, the energy policy and the industrial policy in the non-compulsory sector of the budget. That will not be an easy operation, but I think we should be prepared to tackle such difficult operations when it is clear that failure to do so will slowly but surely jeopardize the very future of the Community.

I said earlier that I did not regard myself as an opponent of the Common Agricultural Policy. What I am opposed to — and there is really no alternative here if I am to speak on behalf of the tax payers — is the sheer waste which is currently part and parcel of the Common Agricultural Policy. It is intolerable that this waste in the form of storage costs should swallow up more funds than all the policies in the non-compulsory sector put together. It is also intolerable that the Common Agricultural Policy should result in the wealthier Member States being subsidized by the poorer countries. That is something that must be put right.

(Applause)

The Common Agricultural Policy, which has so far always been the cohesive factor in the Community, is now increasingly threatening to become the most explosive factor in the Community, and that is something we must really get a grip on. We do not need disintegration in this House. You will not hear me say that the Callaghans and Thatchers are right, but I find it hard to deny that there is substance to their complaints about the present situation. That is one of the reasons why I think this House has a duty to itself and to Europe as a whole to take advantage of this budgetary procedure to bring about a fundamental shift in the ominous trend which has its roots in the artificial distinction between compulsory and non-compulsory expenditure. That is something we shall not be able to do on our own; I perfectly well realise

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that it will be essential to consult the Council and the Commission on this question over the coming months. I think there are clear indications that the Commission thinks along the same lines. It is not beyond the bounds of possibility that we shall have no success in our consultations with the Council. What happens then? The answer seems to me to be quite clear: if the Council, the Commission and the European Parliament are together incapable of getting agricultural expenditure under control, that expenditure will take over the Council, the Commission and the European Parliament.

We shall then soon have a situation in which agriculture pushes the non-compulsory expenditure out of the budget, with the Commission consequently having to start borrowing money to cover its budget deficit, and we shall eventually get back to a system of national contributions and an end to the system of own resources, which is something this House is highly dependent on.

Although this kind of development will inevitably lead to serious damage being done to the Community in general and the European Parliament in particular, it does lend added weight to the demands made by this House that all — and I mean all — of the Community's financial transactions should be included in the budget. I am thinking here for example of borrowing and lending policy, and in particular of the European Development Fund.

We shall have to go through the budget item by item to see whether the money the European taxpayer is expected to cough up is being put to sensible use. We shall also in the coming weeks have to reach agreement among ourselves and with the Council and the Commission on the ways in which agricultural expenditure trend can be changed in a way acceptable to the lower income groups in the agricultural sector. But I feel I should also advise the Council to be willing to accept a shift from agricultural expenditure to other expenditure even without a substantial rise in total expenditure.

Finally, I must warn the Council, the Commission and the European Parliament not to accept a situation whereby the imbalance in the budget is further exacerbated by this trend at the cost of the poor of the Community. Nor should this House tolerate any threat to its hard-won budgetary powers so shortly after the direct elections simply because of over-productive cows and a glut of tomatoes.

(Applause)

8. Election of Quaestors (resumption)

President. — The results of the ballot for the election of Quaestors are as follows:

| | |
|----------------------------------|-----|
| Number of Members voting : | 349 |
| Blank or spoiled ballot papers : | 31 |
| Valid votes cast : | 318 |
| Absolute majority : | 160 |

The following Members voted :

Abens, Adam, Adonnino, van Aerssen, Agnelli, Aigner, Alber, Albers, von Alemann, Almirante, Ansquer, Antoniozzi, Arfe, Arndt, Baduel, Baduel Glorioso, Baillot, Balfe, Balfour, Bangemann, Barbagli, Barbarella, Barbi, Battersby, Baudis, Beazley, Berkhouwer, Bersani, Bethell, Bettiza, Beumer, von Bismarck, Blumenfeld, Bocklet, Bonaccini, Boot, Boserup, Boyes, Brandt, Brookes, Buchou, Buttafuoco, Caborn, Caillavet, Calvez, Cardia, Caretoni Romagnoli, Cariglia, Carossino, Cassanmagnago Cerreti, Castle, Catherwood, Cecovini, Ceravolo, Chambeiron, Chouraqui, Cinciari Rodano, Clinton, Clwyd, Cohen, Colla, Colleselli, Collins, Costanzo, Cottrell, de Courcy Ling, Cresson, Cronin, Croux, Curry, Dalsass, Dalziel, Damette, Damseaux, d'Angelosante, Dankert, Davern, Debatisse, Debré, De Clercq, De Keersmaecker, Dekker, Deleau, Delorozoy, Delors, Demarch, Denis, De Pasquale, Desmond, Diana, Dienesch, Diligent, Donnez, Douro, Druon, Elles, Estgen, Estier, Ewing, Fanti, Fellermaier, Fergusson, Fernandez, de Ferranti, Ferrero, Ferri, Filippi, Fischbach, Flanagan, Flesch, Focke, Forster, Forth, Friedrich B., Friedrich I., Frischmann, Früh, Fuchs, Fuillet, Gabert, Gaiotti de Biase, Galland, Galluzzi, Gaspard, Gatto, Gendebien, Geurtsen, Ghergo, Giavazzi, Gillot, Giummarra, Glinne, De Goede, Gonella, Goppel, Gouthier, Gredal, Griffiths, Groes, Van der Gun, Haagerup, Habsburg, Hänsch, Hamilius, Harmar-Nicholls, Harris, von Hassel, Hauenschild, Helms, Henckens, Herklotz, Herman, van den Heuvel, Hoff, Hoffmann, Hooper, Hord, Howell, Hutton, Ippolito, Irmer, Jackson C., Jackson R., Janssen van Raay, Jaquet, Johnson, Jonker, Josselin, Jürgens, Katzer, Kavanagh, Kellett-Bowman T., Kellett-Bowman Elaine, Key, Kirk, Klepsch, Klinkenborg, Köhler, Krouwel-Viam, Kühn, Lalor, Lange, Langes, Lecanuet, Lega, Lemmer, Lenz, Leonardi, Leroux, Lezzi, Ligios, Linde, Linkohr, Lizin, Lomas, Loo, Louwes, Luster, Lyng, Macario, McCartin, Maher, Maij-Weggen, Majonica, de la Malène, Marshall, Martin M., Martin S., Martinet, Megahy, Mertens, Messmer, Michel, Van Minnen, Modiano, Möller, Moorhouse, Moreau J., Moreau L., Moreland, Motchane, Muntingh, Narducci, Newton Dunn, Nicolson, Nielsen B., Nielsen T., Nord, Nordlohne, Normanton, Notenboom, Nothomb, Nyborg, O'Connell, O'Donnell, Oehler, O'Hagan, O'Leary, Orlandi, d'Ormesson, Paisley, Pajetta, Pannella, Papapietro, Patterson, Pearce, Pedini, Pelikan, Penders, Peters, Petronio, Pfennig, Pflimlin, Pininfarina, Pintat, Plumb, Pötterling, Poirier, Poncelet, Prag, Franchère, Price, Prout, Provan, Pruvot, Puletti, Pürsten, Purvis, Quin, Rabbethge, Radoux, Remilly, Rey, Rhys Williams, Rinsche, Ripa Di Meana, Rogers, Romualdi, Rossi, Roudy, Ruffolo, Rumor, Sablé, Sälzer, Salisch, Sarre, Sassano, Schall, Schieler, Schleicher, Schmid, Schmitt, Schnitker, Schön Karl, Schön Konrad, Schwartzberg, Scott-Hopkins, Scrivener, Seal, Seefeld, Seeler, Segre, Seibel-Emmerling, Seitlinger, Seligman, Sherlock, Sieglerschmidt, Simmonds, T Simpson, Spaak, Spautz, Spencer, Spicer, Spinelli, Squarcialupi, Stewart-Clark, Sutra, Taylor J.D., Taylor J.M., Tolman, Travaglini, Tuckman, Turner, Tyrrell, Vanderpoorten, Vandewiele, Vayssade, Vergeer, Vergès, Verhaegen, Vernimmen, Veronesi, Verroken, Visentini, Vondeling, von der Vring, Wagner, Walter, Walz, Warner, Wawrzik, Weber, Weiss, Welsh, Wettig, Wiczorek-Zeul, von Wogau, Woltjer, Zagari, Zecchino, the President.

President

Votes received are as follows :

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| D'Angelosante : | 116 |
| Fellermaier : | 213 |
| Colette Flesch : | 275 |
| Lalor : | 143 |
| Ryan : | 274 |
| Simpson : | 260 |

The following Members have obtained an absolute majority of the votes cast and are thus elected Quaestors :

| | |
|------------------|-----|
| Fellermaier : | 213 |
| Colette Flesch : | 275 |
| Ryan : | 274 |
| Simpson : | 260 |

Since there is one more seat to be filled, a second ballot will be held in accordance with Article 7 (4) of the Rules of Procedure. Voting papers and envelopes will be distributed.

In the meantime we shall continue our agenda.

*9. Presentation and discussion of the draft
general budget of the Communities for 1980
Implementation of the 1979 Community budget
(resumption)*

President. — I call Mr Robert Jackson.

Mr Jackson, rapporteur. — Mr President, this is essentially a debate about the Commission's Budget, but it is appropriate that we in this House and that I, as rapporteur, should bear in mind the situation with regard to our own administrative budget and that of the other institutions as we consider the Community's general budget. I say this for two reasons. First, there must be no doubt in our minds in this House that the credibility of our approach to the Community's general budget is bound up with our attitude to our own expenditure. We cannot reasonably attack the Commission's proposals for new staff if our own demands for new staff, whether for Parliament's administration or for the political groups or indeed for the Members themselves, cannot reasonably be justified. We cannot carry out our overall budgetary responsibilities satisfactorily if it is felt that we are not acting wholly responsibly in respect of our own budget.

The second reason why there is a link between the general budget and our approach to our own budget and that of the other institutions lies in the existence of a number of themes common to all the budgets of the institutions. There is, for example, the common principle that all demands for new administrative expenditures should be fully justified in the budgetary presentations of the various institutions. There is, to give another example, the general principle, to which the President-in-Office of the Council referred, that demands for additional administrative expenditures should be kept in line with the record of spending in the various sectors. Where estimates have been under-

spent, demands for credits should be reduced accordingly. There is also the matter of recruitment, where there should exist — I regret that it is not yet accepted — a general principle of a common approach to the recruitment of staff, a very expensive process. This is particularly important in the context of the enlargement of the Community and the recruitment next year of Greek staff. Another common theme is the need in each of the institutions for a satisfactory policy for staff mobility, both vertically and horizontally. This is essential for staff morale, and it would also be helpful in respect of the budget by perhaps reducing somewhat the pressure for regradings and transfers.

Finally, there is a common need shared by all the institutions to keep their internal administrative structures under constant review. The Community's institutions are still in their infancy, and the environment in which they operate is rapidly developing and changing. Yet there are powerful factors making for in-flexibility and rigidity in the deployment of staff in the institutions. We must all see to it that our respective institutions ensure that their internal arrangements are the subject of objective survey and are kept as supple and flexible as possible. In this context we in this House will, I am sure, take a keen interest, not only in our own internal arrangements but also in the Commission's response to the Spierenberg report.

Mr President, the European Parliament is responsible for its own budget. We take this duty seriously, and I am sure that all of us in this House will agree both that we should act responsibly with regard to our own affairs, and that we should defend against all comers our right to run our own affairs and account for our exclusive stewardship before European public opinion. In exercising this responsibility, we are all aware that there have been noises off-stage tending to call into question our autonomy in these matters. Personally, I regard these as counter-productive from the point of view of any critics we may have. On this point I should like to say, on behalf of the Committee on Budgets and I am sure of the whole of this House, that we expect that the Commission will politely but firmly decline the invitation from the Council to make an enquiry into certain aspects of the budgetary powers of Parliament in the Community.

Mr President, in conclusion I should like, as is my right, to take off my rapporteur's hat and make a simple remark in my personal capacity on the Community's general budget. As I remarked in Tuesday's debate on the Community's subsidized butter sales, this House constitutes the budgetary authority of the European Community. We are all therefore responsible for the whole range of Community expenditure, yet up to now it is a simple fact that this House has not felt able to impose its will in the area of compulsory expenditure. In effect, the Agricul-

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ture Ministers have had an open-ended purse and they have drawn so heavily upon that purse that (1) we are now producing mammoth and wasteful surpluses, particularly in the dairy sector, (2) we are now approaching the exhaustion of 'own resources' and (3) as Mr Dankert pointed out, the distribution of budgetary burdens in the Community has become profoundly inequitable in ways that could potentially bring the whole future of the Community into question.

I believe that this House must rise to the full measure of its responsibilities for the overall budget. This is not just a matter for the Finance Ministers, it is also a matter for us. We must shift our fire from the non-compulsory sector and the modest opportunities available to us under the margin for manoeuvre — although we must not neglect these opportunities — and we must begin to concentrate our efforts on imposing discipline in the compulsory sector.

Mr President, in this vital matter we have the powers — and above all we have the duty.

(Applause)

10. Election of Quaestors (resumption)

President. — We can now proceed with the second ballot for the election of Quaestors.

I call Mr Aigner on a point of order.

Mr Aigner. — *(D)* Mr President, I would ask you to postpone this vote until 3.45 p.m., since otherwise we shall have a distorted result because some Members have already left. They will all be here at 3.45, and so I would ask you to postpone the vote until then.

President. — I call Mr Scott-Hopkins on a point of order.

Mr Scott-Hopkins. — Mr President, while I quite understand why Mr Aigner has asked for that — and for many colleagues it would be more convenient — there is the problem of trying to get this matter solved quickly. I know the President is very anxious to meet the Quaestors at the earliest possible opportunity before the Bureau meets today at 4 p.m. Therefore, although it is tedious for our colleagues, it would be much better if we proceeded straight to the vote now. We will count them during the lunchhour before scrutineers, and we will announce the result as soon as we can. Really, I think that we ought to get on with it, because otherwise the thing will be hanging over; it won't take all that long, and as soon as colleagues have voted, they can get away. If we don't do it now, it really will postpone our proceedings this afternoon intolerably, and don't forget, Mr President and colleagues in the House, we have to stop tonight at 8 p.m, we have to. So if we take up an hour of our time with this this afternoon, we shall not be able to

complete our debate within the proper time-limit and all our interpreters and staff will stop at 8 o'clock, or very near it.

President. — It has been proposed that we postpone the second ballot for the election of Quaestors until 3.45.

I put this proposal to the vote.

The proposal is rejected.

We shall proceed immediately to the second ballot.

The procedure will be the same as for the first ballot. But since there is only one post to be filled, I would ask Members to mark only one name with a cross.

The ballot is open.

I ask the Secretary-General to call the roll.

(The roll was called)

Since no-one else wishes to vote, the ballot is closed.

I ask the tellers to go to Room 1099 to count the votes.

The results of the second ballot will be announced to Parliament when proceedings are resumed at 3 p.m.

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

The House will rise.

(The sitting was suspended at 1.20 p.m. and resumed at 3 p.m.)

IN THE CHAIR : MR DE FERRANTI

Vice-President

President. — The result of the second ballot for the Quaestors is as follows :

| | |
|---------------------|-----|
| Valid votes cast : | 237 |
| Absolute majority : | 119 |

The following Members voted :

Adonnino, van Aerssen, Agnelli, Aigner, Albers, von Alemann, Almirante, Ansquer, Arfe, Arndt, Baduel Glorioso, Baillet, Balfe, Barbarella, Battersby, Baudis, Beazley, Bersani, Bettiza, Blaney, Bonaccini, Bonino, Boot, Boyes, Buchou, Buttafuoco, Caborn, Caillavet, Calvez, Capanna, Cardia, Caretoni Romagnoli, Carossino, Cassanmagnago Cerretti, Castellina, Castle, Catherwood, Cecovini, Ceravolo, Chambeiron, Chouraqui, Cinciari Rodano, Clinton, Clwyd, Colla, Colleselli, Cottrell, de Courcy Ling, Cresson, Cronin, Croux, Curry, Dalsass, Dalziel, Damette, D'Angelosante, Dankert, Davern, Debattise, Debré, De Clercq, De Keersmaecker, Deleau, Delorozoy, Demarch, Denis, De Pasquale, Desmond, Diana, Dienesch, Diligent, Donnez, Douro, Elles, Estgen, Estier, Ewing, Fanti, Fellermaier, Fergusson, Fernandez, de Ferranti, Ferrero, Filippi, Fischbach, Flanagan, Fleisch, Focke, Forster, Forth, Friedrich B., Friedrich I., Frischmann, Früh, Fuchs, Gabert, Gallagher, Galland, Galluzzi, Gaspard, Ghergo, Giavazzi, Gillot, Giummarra, Glinne, Gouthier, Griffiths, Van der Gun, Habsburg, Hänsch, Harmar-Nicholls, Harris, von Hassel, Hauenschild, Helms, Herklotz, Herman, Hoff, Hooper, Hord, Howell,

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Hume, Hutton, Ippolito, Irmer, Jackson C., Jackson R., Jaquet, Jonker, Josselin, Katzer, Kavanagh, Kellett-Bowman Edward, Kellett-Bowman Elaine, Key, Kirk, Klepsch, Klinkenborg, Kühn, Lalor, Lange, Langes, Lega, Lemmer, Lenz, Leonardi, Ligios, Linde, Linkohr, Lizin, Lomas, Louwes, Lyngé, McCartin, Maher, Majj-Weggen, de la Malène, Marshall, Martin M., Martinet, Megahy, Mertens, Messmer, Van Minnen, Møller, Moreau J., Moreland, Motchane, Muntingh, Narducci, Newton Dunn, Nicolson, Nielsen J. B., Nordlohne, Normanton, Notenboom, Nothomb, Nyborg, O'Connell, O'Donnell, Oehler, O'Hagan, O'Leary, Olesen, D'Ormesson, Paisley, Pannella, Papapietro, Patterson, Pearce, Pedini, Pelikan, Penders, Peters, Pfennig, Pintat, Plumb, Poirier, Poncelet, Pöttering, Prag, Price, Purvis, Quin, Rabbethge, Remilly, Ripa Di Meana, Rogers, Rossi, Roudy, Ruffolo, Sälzer, Salisch, Sarre, Schall, Schmid, Schnitker, Schön Karl, Schön Konrad, Scott-Hopkins, Scrivener, Seal, Seeler, Serge, Seibel-Emmerling, Seligman, Sherlock, Sieglerschmidt, Simmonds, Simpson, Spautz, Spicer, Spinelli, Squarcialupi, Stewart-Clark, Sutra, Taylor J. D., Taylor J. M., Tolman, Travaglini, Tuckman, Turner, Tyrrell, van Viert, Vayssade, Vergès, Verhaegen, Vernimmen, Veronesi, Verroken, Vondeling, von der Vring, Wagner, Walter, Warner, Wawrzik, Weber, Weiss, Welsh, Wettig, Wiczorek-Zeul, von Wogau, Woltjer, Zagari, Zecchino.

The votes were received as follows :

| | |
|--------------------|-----|
| Mr D'Angelosante : | 107 |
| Mr Lalor : | 130 |

Mr Lalor has obtained an absolute majority of the votes cast.

As a result of these two ballots, I declare Miss Flesch, Mr Ryan, Mr Simpson, Mr Fellermaier and Mr Lalor elected Quaestors of the European Parliament.

I congratulate them on their election.

(Applause)

11. Urgent procedure

President. — I have received two motions for resolutions, with request for urgent debate pursuant to Rule 14 of the Rules of Procedure :

- from Mr Sarre, Mr Glinne, Mr Rogers, Mrs Cresson, Mr Sutra, Mr Oehler, Mr Motchane, Mr Estier, Mrs Fullet and Mrs Roudy, on the situation in Central Africa (Doc. 1-367/79)
- from Mr Motchane, Mr Sarre, Mrs Cresson, Mr Glinne, Mr Zagari, Mr Estier, Mr Moreau, Mr Oehler, Mr Jaquet, Mrs Roudy and Mr van Minnen, on the European legal space (Doc. 1-370/79/rev.)

The reasons supporting the requests for urgent debate are contained in the documents themselves. The vote on these requests will be taken at the beginning of tomorrow's sitting.

12. Question Time

President. — The next item on the agenda is the third part of Question Time (Doc. 1-314/79). We continue with questions addressed to the Commission.

Question No 7, by Mr Spicer :

What information does the Commission have about the production of wholemilk biscuits in New Zealand, and what are its views on developing a similar product in the Community ?

Mr Jenkins, President of the Commission. — The Commission has been informed of the content and the distribution data in regard to New Zealand wholemilk biscuits and has in the context of the co-responsibility levy approved funds for research projects on the expansion of the market in milk and milk products, including such biscuits. The results of the research are not yet available.

Mr Spicer. — Why are we researching this when the New Zealanders have already established not only that these biscuits are well worthwhile producing, but that their application, particularly in Third World countries, could be of considerable importance, and certainly much more than ordinary milk powder ?

Mr Jenkins. — I think we are not going in particular into any research on the biscuits as a nutritional research project, but more into the possibilities of the market and the means of distributing them.

President. — Question No 8, by Mr Purvis :

In view of the telegram of support sent in April 1979 by Commissioner Cheysson to Mr Joshua Nkomo, following the raid by troops of Rhodesia-Zimbabwe on the latter's home, will the Commission now adopt new guidelines regarding the public expression of political opinions by Commissioners on matters of general interest to individuals in countries outside the Community ?

Mr Jenkins, President of the Commission. — The Commission and its Members, as is the case for all the other Community institutions, have always felt entitled to give their views publicly regarding political or other events which have a bearing on the life and activities of the Community. The Commission does not currently intend to propose any modification of its existing practice and arrangements.

Mr Purvis. — May I say to the President of the Commission, that, in view of the concern expressed in the French National Assembly, in the British House of Commons and in this House, I think it would be of some concern to our electors that some form of guidelines should be instituted? Is he happy at least that his Commissioners are going to abide by reasonable guidelines of prudence in their expressions ?

Mr Jenkins. — Admittedly, one does need a degree of prudence in these matters. I, to be honest, have found difficulty about trying to lay down clear-cut guidelines. It is obvious that there are certain political

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areas in which it would, in my view and in the view of the Commission, be inappropriate for us to express views — what one might call black areas from this point of view. If I had to think of an example, I would think that disarmament talks fell into this field. Equally, there are areas where clearly we are most intimately involved, the Lomé negotiations, for instance — and one can think of intermediate areas, grey areas like Cyprus. Therefore I would find it difficult to think exactly what the precise guidelines should be, but I think prudence certainly is desirable on the part of individuals and of the Commission as a whole.

Mr Spicer. — Surely Mr Jenkins would understand that the concern of this House is that this telegram was sent in the name of the Commission as a whole: I think that is what the House is concerned about. Was prior consultation taken on a particularly sensitive political area before that telegram was sent? If not, can he give this House an assurance that in future in such areas of extreme sensitivity such consultations will take place before one Commissioner takes upon himself to speak for all the Commission?

Mr Jenkins. — As was made clear in the previous exchange, in the previous Parliament in May, I think, when Commissioner Giolitti spoke for the Commission, this was not a collective decision by the Commission, and Mr Cheysson immediately made it clear to me, long before there was any question of the issue coming up in Parliament or anything else, that he would have wished the telegram to be sent from him personally and not from the Commission collectively. It would have been perhaps entirely appropriate if it had been done personally: he had visited Mr Nkomo in his house a few months before. That is Mr Cheysson's view about this incident, which is now sometime past.

Lord Harmar-Nicholls. — These guidelines would nevertheless appear to be necessary. Whilst no one would want to inhibit an individual Commissioner from doing reasonable things off his own bat, the collective responsibility of all Commissioners does come into this, and it is of especial importance to Parliament, because the only power this Parliament has over the Commission is to dismiss the whole of the Commission, and one would not want to get rid of the Commission merely because one felt strongly about the wrongdoings of one Commissioner.

Mr Jenkins. — Well, I do not think one should generalize too much from some particular incident, in which the position was exactly as I have put it in reply to the honourable Member, but I think we should certainly be careful where the Commission makes expressions of general opinion on delicate issues. I have explained why I would find it difficult to draw up a chart of guidelines; I think it is better to

treat it as a question of good judgment and reasonable prudence, though I would say also that I detect in this House a general desire that the Commission should have a reasonably strong political profile — by that I do not mean a party political profile, but a reasonably strong political profile — and indeed if it does not, this House will find the Commission a very unsatisfactory interlocutor. It follows from that that occasionally the Commission itself will say things which are not universally approved by every Member in the House, and I expect and believe that those of you who want us to have a good profile will — while not refraining from disagreeing with us — also recognize that we can disagree with individual opinions.

President. — In the absence of their authors, Questions Nos 9 and 10, by Mr Van Aerssen and Mr Ansquer, will be answered in writing⁽¹⁾.

Question No 11, by Mr Balfour, for whom Mr Normanton is deputizing:

Would the Commission report on its preparations for the Energy Conservation Month — October 1979 — agreed by the Ministerial Council of the International Energy Agency, 22 May 1979?

Mr Brunner, Member of the Commission. — (D) We welcome any initiative designed to accustom the citizens of Europe to a sensible approach to energy consumption. A special measure such as an Energy Conservation Month is therefore a good idea. In that month we will be holding a seminar on new ways of conserving energy, from 23 to 25 October. Moreover, we intend to publish in October the paper on an energy-conscious society drawn up by a group of experts led by Mr de Saint Jour. In addition, I think that we can publish in October a further invitation to submit projects for demonstrating energy conservation techniques. Thus, with these three practical measures, we wish to stress the need to save energy.

Mr Normanton. — Though that reply is certainly helpful, may I say that I am a little disappointed from two points of view: Firstly, because the proposal to establish a conservation month rather suggests that it is not of such great international importance to conserve energy, whereas in fact its importance is so great that it could only be expressed by establishing a conservation year — that is a point which I think should be made. The second point — and I would ask him whether he would reply to this one — arises out of the fact that the decision was taken by the Ministerial Council of the International Energy Agency. Does he not feel a little disconcerted by the fact that France, a most important member of the Community, is not a member of that particular agency?

⁽¹⁾ See Annex, p. 267.

Mr Brunner. — (D) In answer to the first question, it was not we who chose to hold this Month — it was a decision taken by the International Energy Agency.

In answer to the second question, the European Community is represented in the International Energy Agency. We cooperate closely with it. France made a sovereign decision in the spring of 1974 not to join that Agency. We have no comment to make on this aspect.

President. — Question No 12, by Mrs Desmond :

What means has the Commission at its disposal to provide aid for small traditional industries such as Carrigaline Potteries, Co. Cork, whose closure would have serious repercussions on employment, especially in less-developed regions ?

Mr Giolitti, Member of the Commission. — (I) With regard to the small firm in County Cork mentioned in Mrs Desmond's Question, I would point out first of all that the principal means of finance available to the Commission for aids to small firms are the Regional Development Fund and the Social Fund.

The Regional Development Fund can contribute to the financing of investments exceeding 50 000 EUA in economically healthy activities, in industry, crafts or services which benefit from regional aids of a Member State, on condition that they create or maintain at least ten jobs. The adoption by the Council in February 1979 of amendments to the Regulation enables the Fund from now on to regard as a single investment in the craft sector a group of investments linked together geographically or financially which satisfy criteria laid down in the Regulation. It is therefore possible to consider for a contribution from the Fund investments which, taken individually, do not reach the threshold of 50 000 EUA or ten jobs.

More specifically, with regard to the craft sector, aids from the Fund can, by derogation from the general rule, exceed 20 % of the investment provided that they do not exceed 10 000 EUA per job created or maintained, or 50 % of the national aids.

The Social Fund, for its part, can finance vocational training and, if need be, placement of unemployed workers or those threatened with unemployment, with priority being given to the following five regions : Greenland, French Overseas Departments, Ireland, Northern Ireland and Southern Italy. The Fund's contribution amounts to 50 % of the costs eligible for aid, in accordance with the Fund Regulation.

Mrs Desmond. — Would the Commissioner not agree that the application of such means as those outlined in his reply has not been very successful to date in preventing the closure and decline of such traditional industries ? These industries are vital to the economy and character of the less-developed regions

of the Community, they have a very high labour content and form the nucleus of the human community in the area in which they are situated. Moreover, they deploy the skills acquired, in particular, by more senior workers ? I would therefore ask the Commissioner whether he would not accept that there is a need for more specialized, more coordinated and more dynamic schemes to aid such industries by providing for adaptation and greater efficiency at management level and, possibly, at production level ? In the case of the industry I instance, the question would arise of the discovery of a more appropriate clay mix and the elimination of waste. Better designs, better marketing, could, perhaps, be effected by aid from the Community, and if a solution of that nature is not found, would it be possible to encourage substitute industries of equivalent labour content and equivalent character in the areas in question ? I would further ask the Commissioner whether there has been any application from the Irish government which included support of Carrigaline pottery ?

Mr Giolitti. — (I) Clearly, the Regional Development Fund is not in a position to avert crises which may affect individual firms ; it tries to do so, but does not always succeed. The Fund, in granting its aids, cannot express judgments or make suggestions as to the production and managerial choices of individual firms. On the other hand, it must satisfy itself that the conditions laid down in its Regulation exist. However, I agree with the questioner on the need to make the operation of the Fund as selective and effective as possible, especially in regions which are particularly affected by the industrial crisis.

Mr Moreland. — I am a little concerned about the answer to the first question. As the Commissioner will know, there are a number of successful pottery industries across the Community, but there is at the moment a growing excess capacity within the industry and a threat of competition from outside the Community. Could I have some assurance from him that he will do nothing that will financially aid marginal potteries and thereby increase excess capacity, and I include in that aid to potteries in the underdeveloped world ?

Mr Giolitti. — (I) Clearly, in allocating aids from the Regional Development Fund, we take account, in assessing the projects submitted for aids, of industrial conditions, including sectoral aspects. However, in the case of this particular industrial sector we do not have an industrial policy, although this does not prevent us from taking account of the need to maintain a functional balance between efficient firms in the sector.

President. — Question No 13, by Mr O'Connell.

What progress has been made so far in the implementation of the first Community action programme for the rehabilitation of the handicapped ?

Mr Vredeling, Vice-President of the Commission. — (NL) Since as far back as 1974, the Commission has been taking action with a view to promoting cooperation between the various rehabilitation and training centres in our Member States including activities designed to increase public awareness in this field. The purpose of these activities is to bring about a gradual improvement in the quality of rehabilitation service for the handicapped. In addition, the Commission has given its support to projects based on the results of these activities, and intends in the near future to issue a progress report, which will naturally be submitted to Parliament.

I should like to remind you in this connection that a maximum of 61 million EUA from the Social Fund have been earmarked this year for subsidizing projects to help the handicapped. In the budget for 1980 the Commission proposed 75 million EUA for projects of this kind. However, this has been reduced to 70 million EUA for projects of this kind. However, this has been reduced to 70 million in the Council's draft proposal. As you know, this budget is currently before you.

Mr O'Connell. — I must say the reply was most unhelpful in so far as it failed to give any information about action to date in implementation of the programme. I would like to know on what basis he gave his reply, and I would also like to know if the Commission is monitoring progress in individual countries on the extent to which the action programme is being implemented. I would have thought a much more detailed reply could have been given, and I would like furthermore to ask if he could give a specific date on which he will be able to issue a progress report on implementation in individual countries.

Mr Vredeling. — (NL) As I have already explained, we are currently preparing a progress report on the action programme for the handicapped as laid down by the Council in 1974. You will receive this report in the near future. The honourable Member has asked me to give a specific date. I am afraid I am unable to do this but I can assure you that the report will be submitted to Parliament within a few weeks. It will contain all the details the honourable Member has asked for.

Miss Brookes. — As far as the Social Fund is concerned, it is really only applicable to the handicapped who are able to return to open employment. Will the Commissioner therefore and the Community pay particular attention to the specific problems of the mentally handicapped when considering measures for the implementation of the first Community action programme, because the majority of the mentally handicapped, in fact most of them, are completely

incapable of returning to open employment? I would be grateful if the Commissioner would give this his consideration.

Mr Vredeling. — (NL) It is unfortunately true that the Social Fund can only provide subsidies for projects aimed at enabling handicapped persons to play an active part in economic life once more. The projects referred to by the honourable Member concern sheltered employment, i.e. they have nothing to do with the employment market. According to the provisions of the Social Fund, we cannot unfortunately subsidize projects of this kind. If the honourable Member asks whether I find the situation as it stands satisfactory, I must reply that I do not. It is, in my view a little arbitrary to subsidize only those projects for handicapped persons which ultimately affect the labour market, and not those to which the honourable Member particularly referred and which concern sheltered work. This is indeed a shortcoming in our legislation regarding the Social Fund.

President. — Question No 14, by Ms Clwyd:

Why has the European Court delayed reaching a verdict on a case of vital interest to Welsh farmers — that of French restrictions on sheep and lamb imports from the UK?

Mr Tugendhat, Member of the Commission. — This question does not fall within the competence of the Commission. I can, however, inform the House that judgment in the case in question was given by the Court of Justice on Tuesday, 25 September 1979.

Ms Clwyd. — The President of the Commission is, of course, well aware of the particular virtues of Welsh lamb, so I won't extol them here, but the Court's long delay in reaching a decision is something I regret. It has particularly hurt the troubled sheep industry in Wales. The severe and costly winter has led to the current slump, but the closure of the French market has also been a significant factor in the Welsh sheep farmers' present difficulties. What does the Commission intend to do to ensure that the French respect the verdict of the Court and that they do not attempt further delaying tactics?

Mr Tugendhat. — The Commission believes that the judgment of the Court will be respected.

Mr Curry. — Has the Commission already entered into communication with the French government to discuss the timetable for the immediate dismantling of these illegal restrictions?

Mr Tugendhat. — As I said in answer to the original question, this is a question directed to the Court and does not fall within the competence of the Commission. The Court has passed judgment. I have no doubt that Member States will, as always, comply with the Court's judgment.

Mr Prag. — Surely the Commission is responsible for seeing that the provisions of the Treaty as interpreted by the Court of Justice are applied.

Mr Tugendhat. — The Commission has its responsibility, the Court has its. It is now only two days since the Court passed judgment. I think that, as I said earlier, it takes a little time perhaps for these things to filter through, but I am sure that the Member States will, as always, respect the judgment of the Court.

Mr Marshall. — Mr President, would the Commission like to be warned that certain French Members of this House made it quite clear that they had no intention of complying with the decision of the Court?

Mr Tugendhat. — I think people of our particular nationality have some experience of immediate reactions to court judgments, but in practice I think we have also found that Member States do comply with the decisions of the Court.

(laughter)

President. — Question No 15, by Mr Kavanagh :

Can the Commission state how many Community Member States have ratified the ILO Minimum Age Convention 1973 (No 138); does it intend to propose its ratification by the Community as a whole, and what measures does it intend to propose to ensure the complete elimination of child labour in any form from the Community?

Mr Vredeling, Vice-President of the Commission. — *(NL)* Four Member States of the Community have ratified Convention No 138, namely the Federal Republic, Ireland, Luxembourg and the Netherlands. In eight of our Member States there is a minimum age for employment, which is usually 15 and in some cases 16 years.

However, in Belgium the minimum age is still 14. In practically all our Member States the minimum age corresponds to the age up to which education is compulsory. In Belgium, the Federal Republic, France, Ireland, Luxembourg and the Netherlands, for example the correspondence between the age up to which education is compulsory and the minimum age for employment is laid down by law. Thus, the age up to which education is compulsory and the minimum age for employment are closely connected, which also explains the extreme caution exercised by the Member States as regards fixing these minimum ages.

I should point out that in certain parts of our Community, particularly the poorer, backward regions, the minimum ages laid down by national legislation are in fact systematically disregarded. In some cases, child labour can be found on a very considerable scale — indeed, one might speak of a sort of illegal labour market for children. The Commission regards this as an extremely serious situation, as we have pointed out on more than one occasion in the past. This situation

is fundamentally unhealthy in view of the economic underdevelopment, the structural unemployment and the traditional poverty which are all peculiar to those regions where child labour is still to be found on a large scale.

The Commission is currently studying the problem of the ratification of the ILO Conventions. We have discussed the matter with Mr Blanchard of the ILO and I am fairly confident that it will be possible for us to overcome the outstanding legal obstacles.

For the moment, however, there are no plans to take action against child labour, and the reason for is that this is a matter for the municipal criminal laws of the individual Member States, only they can take action — the Commission itself cannot do anything directly.

I must repeat that the abuses in this field in various parts of our Community are in themselves contrary to national laws.

Thus it is up to the national authorities to see to it that the relevant provisions are observed. However much I go along with the honourable Member on this matter, the fact remains that the task of ensuring that the legislation in force is observed is and will remain primarily the responsibility of the national governments and the national parliaments.

Mr Kavanagh. — Would the Commissioner not agree that children are not small adults; and while waiting for the national governments to take the necessary social and legislative action for progressive elimination of child labour, would the Commission not consider in the meantime drawing up proposals for the Council of Ministers which would humanize the work which children are presently doing and protect them from working in conditions which may retard their normal physical and mental development? This is urgent at the present time, and I think the Commission should take action if the national governments are not prepared to act in the interests of children.

President. — Question No 16, by Miss Brookes :

What action is the Commission taking to reduce restrictions on heavy lorry permits for transfrontier travel between Member States?

Mr Davignon, Member of the Commission. — *(F)* As Parliament knows, the Commission has been trying since 1962 to put into operation all the necessary measures for achieving freedom of movement and the removal of restrictions in the field of transport.

For the time being the legal position is determined by the Council Decision of 1968 establishing certain quotas for authorizations under which road transport operations may be carried out regardless of nationality. On the other hand a large part of the traffic is still subject to bilateral agreements. The Commission aims to do two things: firstly to try and increase these quotas, and secondly to establish certain criteria, inde-

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pendent of nationality, for describing conditions in the transport sector.

The present difficulties arise from the fact that the Council has failed to respond to the Commission's efforts. Nevertheless, the Commission will continue to try and improve matters.

Miss Brookes. — What action can the Commission take to assist United Kingdom road freight vehicles, especially those belonging to small firms, to obtain return loads in the Federal Republic of Germany, thereby facilitating the free movement of goods across national frontiers and also promoting employment?

Mr Davignon. — (*F*) The Commission is always prepared to consider any specific request it receives aimed at improving the system. On the other hand, if the matter concerns the normal operation of the market, or questions of commercial practice, the Commission obviously has no power to act.

Mr Moreland. — I should like to thank the Commissioner for his answer, which I think takes us in the right direction. Could I ask him with regard to the Community's own quotas and permits, — proposals which will incidentally be coming before this House later, — if he is not concerned that the method of calculation using, if I may quote the word, 'usage' tends, because of the length of journeys from the British Isles to the Continent, to discriminate against heavy lorries and other lorries coming from the Irish Republic and the United Kingdom?

Mr Davignon. — (*F*) As I said in my first answer, the Commission is endeavouring to clarify all questions of criteria, so as to avoid any administrative inconsistencies, both in the Community's quota system and under bilateral agreements.

President. — Question No 17, by Mr Seal:

The agreement to allow China to increase its textile exports to 40 000 tonnes/year to the EEC has recently been initialled. How many jobs in textiles will be lost in Britain because of this agreement?

Mr Davignon, Member of the Commission. — (*F*) I would first of all like to point out that the 40 000 tonnes mentioned by the honourable Member account for 0.36 % of textile imports to the United Kingdom. This puts the issue into its proper prospective.

Moreover, in so far as the clothing manufacturers use a certain amount of material from China, they can improve their competitive position.

Finally, the Commission does not think it safe to assume that importing goods in itself creates unemployment. On the contrary, the Commission takes the view that the net result of these negotiations will be an increase in the Community's exports to China, while leaving the overall level of textile imports unchanged.

Mr Seal. — In spite of the non-answer by the Commissioner, it would appear that, whatever the percentage, people in my constituency are probably going to lose jobs because of this agreement. There has been a very delicate balance reached on textile production in the EEC, and any increase in textile imports will obviously result in a loss of jobs. We were told at the last Question Time by the Commissioner how important the multi-fibre arrangement was, and yet the Commission, in this agreement, has deliberately breached the Multifibre Arrangement. Can this Assembly have an assurance, now that we are directly elected, that we will be consulted before decisions are taken, so that we may advise the Commission on the problems of our constituents, and not be consulted after decisions have been taken? Because it would appear to my constituents in Yorkshire West that every decision that the Commission takes in the field of textiles results in a loss of jobs to them.

Mr Davignon. — (*F*) It is standard practice for the Commission to ensure that the appropriate Parliamentary committees are kept informed concerning the work undertaken by both the Commission and the Council. Between the time we first thought we would begin talks with China on textiles and the conclusion of the negotiations, there was a period of five and a half months, which is time enough to exchange information on the subject, if the Parliamentary committees so wish.

Basically, the balance between the institutions calls for the Commission to take the responsibility of making proposals to the Council, which must respond accordingly. The Commission will continue to operate on these lines.

Mr Welsh. — May I first associate myself with the remarks of the honourable Member for Yorkshire West, and may I expand his question by asking Commissioner Davignon whether he consulted with Commissioner Haferkamp before preparing this answer; would he endorse the remarks of Commissioner Haferkamp's own Directorate-General to a recent meeting of the Committee on External Economic Relations, when Sir Roy Denman said that the purpose of the China textile agreement was to enable the People's Republic of China to earn sufficient foreign currency to be able to pay for goods which Community countries wished to sell to them; and does not Commissioner Davignon consider that this is an unwarranted political interference with his carefully constructed multi-fibre negotiations?

Mr Davignon. — (*F*) I would like to thank the honourable Member for such a straightforward question.

Obviously, when the Commission makes a proposal to the Council, the whole Commission is involved, not just Mr Haferkamp and myself.

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Further, it is also fairly obvious that in trying to establish trade links with China — and China itself is anxious to have greatly increased contacts with the Community, which would become a favoured trading partner — we must endeavour to achieve an optimum balance between the Community and China, in view of the latter's financing problems.

Bearing that in mind, I must reiterate that there could have been no agreement on textiles with China if we had for one moment thought that these 40 000 tonnes, amounting to 1.25 % of textile imports to the Community, would jeopardize an essential element of our textiles policy — the stability created by the Multifibre Agreement.

We have taken these two things into consideration and on this basis have concluded an agreement which in no way harms the textile manufacturers while at the same time having its advantages for the clothing industry which is, after all, part of the Community textile industry — and contributing to an increase in the Community's trade with China.

President. — Question No 18, by Mrs Squarcialupi :

Would the Commission provide data on the subsidies granted to Italian emigrants' associations in the Community countries in order to stimulate their interest in direct elections to the European Parliament, and the criteria used for granting them ?

Mr Natali, Vice-President of the Commission. — (I) To help the Italian emigrants' associations to inform their members and make them aware of the importance of direct elections to the European Parliament, a subsidy of 55 million lire was granted. It was granted as an overall subsidy, in one instalment, to all the associations. The decision to grant this subsidy was taken on the basis of a detailed action programme submitted by individual associations, and the task of deciding on the distribution of the subsidy was left to the associations themselves.

Mrs Squarcialupi. — (I) The figure of 55 million lire is not a large one for those who have been described as the first European citizens. I am still puzzled by the mention of an overall subsidy when there is no federation of the emigrants' associations. I therefore think that should not only the system of distribution of subsidies to the emigrants' associations be revised, but that the procedures for granting them should also be simplified, since at present they are byzantine, and comprehensible only to the initiated. I am therefore dissatisfied with the Commission's reply and, since there is no federation of Italian emigrants' associations, I would like further clarification of the system for distributing the subsidies.

Mr Natali. — (I) The questioner's remarks concern the past and not the future, since the future problem will not arise until there are new elections.

With regard to the criteria and procedures followed, I confirm that an overall programme was submitted concerning a series of initiatives — information seminars, meetings, brochures, leaflets, etc., — and that the subsidies were granted on the basis of this programme.

Mr Albers. — (NL) Can the Commissioner also tell us what positive effects resulted from the granting of this money ?

Mr Natali. — (I) If the question refers to the measures taken with regard to Italian emigrants, I must say that it is difficult to give a reply, since some of the Italian emigrants voted in their place of residence, while others returned to Italy to vote. If it refers to the percentage of votes in Italy, I would certainly say that the effect was positive.

President. — The third part of Question Time is closed¹.

I call Mr Cottrell on a point of order.

Mr Cottrell. — I think, with respect, that Question Time is one of the most useful ingredients of the Parliament. When I consider the amount of time that is wasted in parliamentary business on matters which seem to be less important, I would have thought it might be possible to prolong Question Time for at least another 15 minutes to run the full hour.

(Applause)

President. — I am sure your views are widely shared by the House and will be taken note of.

13. Agenda

President. — Mrs Castle has informed me that she wishes to withdraw from the agenda of this part-session her three oral questions without debate (Docs. 1-301, 1-302 and 1-305/79), which had been placed on Friday's agenda.

I am informed that Commissioner Brunner wishes to make a brief report to Parliament on the result of the Energy Council. We did, of course, debate this subject yesterday, and our agenda really would not allow us to hold another debate today. If the House agrees though, I propose that Mr Brunner give a ten-minute report after the votes this afternoon, but only on the condition that there be no debate.

Are there any objections ?

That is agreed.

14. Votes

President. — The next item is votes on motions for resolutions on which the debate has closed.

(¹) See Annex, p. 267.

President

Annex.

We shall begin with the *motion for a resolution (Doc. 1-351/79): Community coal policy.*

I put the preamble and paragraphs 1 to 3 to the vote.

These items are adopted.

After paragraph 3, I have Amendment No 1 by Mr Ippolito and Mr Veronesi:

After paragraph 3, add the following new paragraph:

- 3a. Requests the Council and Commission to take account in the budget of the need to step up research into alternative energy sources and to propose practical measures in the Member States for more effective and coordinated action aimed at harmonizing nuclear safety standards.

I call Mr Ippolito.

Mr Ippolito. — (I) Mr President, we tabled this amendment simply to draw the attention of the Council and the Commission to the fact that an energy policy means more than just a policy on coal, and covers also a policy of research on alternative sources of energy — renewable and soft sources — and on safety in the nuclear energy sector, which is an area where we should like to see closer international collaboration, i.e. within the Community. We feel that our new paragraph does not diminish the resolution in any way but affords an opportunity, which we hope will be taken up at some future date, for a wider-ranging discussion. For our part, we are ready to repeat our undertaking to submit a document on a future occasion.

President. — I call Mrs Walz.

Mrs Walz. — (D) Although Mr Ippolito said that nuclear energy is out of place here — and as a general rule we would go along with this — our group nevertheless feels it can accept this amendment, because we must all strive towards harmonizing safety standards. We would suggest the following addition to the text, however:

... because in spite of every effort coal alone cannot satisfy energy requirements.

Mr Ippolito has agreed to this addition. We support the amendment, therefore, but should like to have this addition made.

President. — I call Mr Linkohr.

Mr Linkohr. — (D) Mr President, ladies and gentlemen, I want to speak against this amendment because, in my view, it runs counter to the whole idea here, which was to promote the importance of coal in order to reduce dependence on oil. We should not allow some amendment to divert our attention so that nuclear energy is brought into the debate, since there is no doubt that this is a matter which Parliament must debate separately after thorough preparation. We should not act as though the debate on nuclear energy were already settled. Many Members were elected to

this Parliament with a mandate from their voters to discuss this issue at European level. As for the amendment itself, the question arises: what are alternative sources of energy? Since the motion is about coal, you might think that we are talking about sources other than coal, like nuclear energy, for example. Or are we talking only about solar energy or geothermal power? This has to be made clear. Consequently, I should like to ask the author of this amendment to withdraw it, as otherwise we shall vote against it.

President. — I really don't think the House would wish to debate this subject any further. I propose that Amendment No 1 be put to the vote as amended orally by the author.

Are there any objections?

It is so decided.

I put Amendment No 1, as amended orally by the author, to the vote.

Amendment No 1 is adopted, as amended.

I put paragraph 4 to the vote.

Paragraph 4 is adopted.

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

The resolution is adopted.

* * *

President. — We shall now consider the *motion for a resolution (Doc. 1-339/79/rev.): Common system of extradition.*

I put the preamble and paragraph 1 to the vote. The preamble and paragraph 1 are adopted.

On paragraph 2, I have Amendment No 1 by Mr Ferry, Mr Sieglerschmidt and Mr Zagari:

Paragraph 2 to be replaced by the following new text:

2. Requests the Parliaments of the Member States to discuss the agreement by the EEC Member States to apply the European Convention on the fight against terrorism, as soon as the agreement by the Nine is submitted for signature and ratification.
- 2a. Hopes that the Parliaments of the Member States will ratify the agreement, after they have ensured that it does not endanger the constitutional guarantees that the person to be extradited will receive fair legal treatment within the meaning of the European Convention on Human Rights.

I call Mr Sieglerschmidt.

Mr Sieglerschmidt. — (D) Mr President, ladies and gentlemen, paragraph 2 of the motion by Mr Scott-Hopkins and Mr Bangemann was apparently drafted before the debate ended. This was necessary in accordance with the Rules of Procedure. The outcome of the debate could not be taken into account, for the President-in-Office of the Foreign Ministers in fact

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informed us that an agreement between the Nine on the application of the European Convention on the Suppression of Terrorism has already been drafted and that it is very likely that it will be submitted for signing and ratification in October, or probably in November at the latest. As a result, the wording of paragraph 2 of the motion for a resolution becomes redundant, because the Governments of the Member States are urged 'to move towards a common system of extradition in the fight against international crime and terrorism'. We have already moved towards this. What we are now seeking with this amendment is that the parliaments of the Member States, once the agreement is submitted for signature and ratification, immediately get down to discussing this important document. However, as we are not going to know the outcome until October or November, paragraph 2a of our amendment outlines in general terms the conditions whereby ratification is considered desirable. The parliaments of the Member States are called upon to ratify the agreement while respecting these conditions.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Mr President, whilst I quite understand the spirit in which Mr Sieglerschmidt moved this amendment, I must beg to disagree with him and to ask the House to stick to the original wording. I do not believe that his argument is a strong one. There are many countries which haven't in point of fact signed the Council of Europe resolution, and I do believe that the wording in the motion for a resolution is the one that we should hold to. Therefore, regretfully, I would ask the House to reject the amendment tabled by Mr Sieglerschmidt.

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

I put paragraph 2 to the vote.

Paragraph 2 is adopted.

I put paragraphs 3 and 4 to the vote.

Paragraphs 3 and 4 are adopted.

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

The resolution is adopted.

President. — We shall now consider the *motion for a resolution (Doc. 1-333/79/rev): Sheepmeat*. On paragraph 1, I have Amendment No 1 by Mr Martin :

This paragraph to read as follows :

1. Considers that the draft Community regulation on sheepmeat is anti-social, anti-economic and contrary to France's interests, and that it justifies the indignant protests of tens of thousands of farmers, all the more so since this draft regulation aggravates the consequences of national and Community measures taken so far, which have already put numerous sheep farmers out of business.

I call Mr Martin.

Mr Martin. — (F) Mr President, ladies and gentlemen, we feel that the motion for a resolution before us is inadequate with regard to the critical problems currently besetting sheep-farming in France.

In our view, the motion is ill-equipped to provide proper satisfaction for the legitimate claims of French sheep-farmers and to tackle the underlying causes of the crisis in this sector, in particular the stranglehold which a small number of British multinationals have on the production and marketing of sheepmeat. Nor will the motion do anything to protect the market and the small and medium-sized French farmers in competition with these multinationals.

For this reason, we have tabled an amendment to the motion put forward by Mr Davern and Mr Buchou on behalf of the Group of European Progressive Democrats. If the amendment is not adopted, we shall abstain from voting on the motion.

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

I put paragraph 1 to the vote.

Paragraph 1 is adopted.

I put paragraphs 2 to 4 to the vote.

Since the result of the vote by a show of hands is unclear, the vote will be taken again by sitting and standing.

Paragraphs 2 to 4 are adopted.

I call Lord Harmor-Nicholls for an explanation of vote.

Lord Harmor-Nicholls. — Mr President, I wanted to explain my vote against the first amendment, because I think it is important that we should recognize in this Assembly that at the end of the day we are partners and want to work to enhance the general unity in Europe. I would not like it to be felt that my vote against the amendment was in any way a case of Britain versus France. I have a great deal of respect for the interest the mover of the amendment took in his constituents and his country, and I suppose that under similar circumstances one would have been tempted to do the same. I merely want to say that all of the points that he put to us were obviously taken into account by the courts when they examined this matter, and since it has been examined by that objective and impartial body, we ought to accept its decision. So it is not a question of one nation versus another, it is saying that if we are going to give the power to a court, we ought to respect its decision when it gives a verdict.

(Applause)

Mrs Baduel Glorioso. — (I) Mr President, I am not under the impression that explanation of vote in this Parliament can be given after the vote has taken place. Indeed, this opportunity was denied me during the last part-session. However, since the rule on this point seems to be open to various interpretations, I should like to know whether it is possible or not to give an explanation of vote after the vote has taken place.

President. — In this House, my understanding is that explanations of vote take place before the vote, unlike the other Houses to which you and I are used.

Mrs Baduel-Glorioso. — In that case, I do not understand why you did not interrupt our honourable colleague, because he did not have a right to intervene. I am sorry, but his statement cannot be put on the report.

President. — It is permissible to give an explanation of vote before the vote takes place. We have not yet come to the vote on the motion for a resolution as a whole. If you read Rule 26 (3), you will find the Rules of Procedure clarify the point.

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

The resolution is adopted.

President. — I now put to the vote the *motion for a resolution (Doc. 1-359/79): Italo-Tunisian bilateral fisheries agreement.*

The resolution is adopted.

15. Commission statement on energy

President. — The next item is a statement by the Commission on energy.

I call Mr Brunner.

Mr Brunner, Member of the Commission. — (D) Mr President, I have just returned from Paris and the meeting of Energy Ministers which arose out of the Conference of Heads of State or Government in Tokyo.

The European Community was represented there by the President of the Council of Ministers, the Irish Minister for Energy Mr O'Malley and myself. I am happy to be able to say that the outcome was a positive one. The European Community succeeded in displaying its cohesion and this made itself manifest in two concrete ways.

First of all, we managed to set goals for Community energy conservation up to 1985. We announced that the European Community would import 472 million tonnes of oil, not a tonne more, between now and 1985. We succeeded in the course of difficult talks,

which, however, were held in a spirit of Community solidarity, in dividing up these 472 million tonnes by Community country. Thus each Member State has a conservation target based on a fixed import objective from now until 1985. That is a very encouraging result and it is a signal to the oil producers and to the other countries of the world that the European Community wants to make a serious effort to conserve as much oil as possible and that this effort is taking the form of not just declarations, but rather of firm commitment.

Secondly, we were successful in gaining acceptance for a long-standing proposal of the European Commission to set up a register in which all oil transactions are recorded, the objective of such a register being to increase oil market transparency.

The Council of Energy Ministers of the European Communities reached agreement on this on 20 September with the reservation that the other countries represented in Paris — Canada, the United States and Japan — should also agree to the proposal.

Yesterday, on a proposal from us, a decision was taken to set up this register. We in the European Community will be responsible for that portion relating to the Community, while the Energy Agency in Paris will assume the registration work for the remaining countries. In this way it will be possible also to ensure coordination of registration activities in all regions.

I consider this an important result. In future there will be far more precise information available — and that on a monthly basis — concerning what is happening on the oil market, what contracts are made with whom and at what prices. This will help us to avoid some unpleasant shocks which in the past have time and again caused us severe problems.

There is a third result which is very welcome : namely an announcement by the United States that, as from 31 October of this year, it will abolish the price subsidy of 5 dollars per barrel which it applies to imports of heating oil. I believe that we must all welcome this decision of the United States, since it signifies not least the possibility of an improvement in the European heating oil market situation just as winter is approaching. We therefore extend our full approbation of this decision.

All in all it can be said that, contrary to many fears, the European Community has preserved its solidarity in this sphere ; it has succeeded in promoting initiatives in important areas ; it has managed to gain acceptance for the decisions prepared by the Council of Ministers, and it has — I believe — taken a considerable step forward towards the further development of a common energy policy.

(Applause)

16. Presentation and discussion of the draft general budget of the Communities for 1980 — Implementation of the 1979 Community budget (resumption)

President. — The next item is the resumption of the budget debate.

I call Mr O'Leary to speak on behalf of the Socialist Group.

Mr O'Leary. — Mr President, we had this morning a brief statement by the President-in-Office of the Council, and I thought in the circumstances that he was absolutely right to be brief in his defence of the indefensibles. I do not think, to be fair to him, that his heart was in his work here this morning as he spoke briefly with his best endeavour to suggest that the budgetary proposals emanating from the Council of Ministers represented a consistent, coordinated and coherent approach to some of the Community problems at the present time. This is only one section of our budgetary debate, it is only the opening skirmish in our discussions, and we shall be returning to this major subject for the parliamentary year at a subsequent stage when we go into the details of the mistakes of this budget as represented by the Council proposals.

In a national parliament, at this point where one would have received the executive's proposals for the budget for the coming year, one could be sure that those proposals represented the last word. One would be sure of that in a national parliament. I earnestly hope that the proposals which have come to us from the Council do not represent their last word on this subject, because the budget we are discussing today in this opening debate represents, in my opinion and in the opinion of our group, a collective thumbsdown from the Council to any conception of a developing Community, a rejection of the idea that there is any developing rôle for this European Community.

For the first time in the Community's history, the Council is proposing to spend less next year than this year on aid to the poorer regions. The Regional Fund, if we go by the proposals of the Council, has been ransacked, has been raided. The whole conception of a regional policy has been put aside. The Council have acted as though regional inequality in the Community did not exist, despite the fact that with the European Monetary System it is accepted on all sides that there should be a convergence between our economies. What we have seen from the Council in effect is acceptance of the idea that inequality as between the member countries' economies will continue and that as far as they are concerned, if they are to be taken seriously, nothing positive will be done about it in this 1980 budget.

At the outset I would like to make it clear that this group, the largest group in the Parliament, will be

opposing this budget resolutely; and I would like to indicate to the House the temper of our opposition, so that no one in either the Council or the Commission will harbour any misunderstandings as to the nature of our opposition. It will not be simply a token opposition, confined to cries of horror here in this House; it will be a thoughtful and consistent but, overall, a resolute opposition. The area that has been most heavily hit by the Council, the chief casualty of the Council's axe — the area of noncompulsory expenditure — is the one on which depends the financing of all the new policies — all the policies that our electorate are aware of, all the policies in which our electorate were sufficiently interested to cast the votes that sent us here a short time ago: the regional policy, the social policy, and industry policy, an energy policy — all those matters which for ordinary people throughout the Community are of some moment. These were the very policy areas whose future financing was attacked by the Council.

Under Article 203 (9) of the Treaty, the Commission each year establishes a maximum rate of increase for non-compulsory expenditure in the light of such criteria as gross domestic product, national budgets and cost of living. For 1980 the maximum rate is 13.3%. Parliament has the right, without any argument from any source, to add further to the non-compulsory expenditure added to the budget, and this is defined in the Treaty as half of the maximum rate. If Parliament abides by the maximum rate ruling, we shall therefore have the manoeuvrability to add another 250 million units of account to the non-compulsory expenditure in this budget. I want to indicate to the House the quality of our opposition when I say that simply restoring that kind of cut will not satisfy or change the opposition of this group to this budget. I say that, because you will see that this margin of manoeuvre is not that great when you realize that the Council itself has cut over 1000 million units of account from the Commission's proposals for non-compulsory expenditure. So if any one in either Council or Commission wants to gauge the depth of our opposition to this mutilated offer masquerading as a budget, let it be clear to them that any idea on their part that they can assuage our opposition by meeting us in this area is a pure misconception.

In democratic politics, accounts always fall due and have to be rendered. Our electorate sent us here with a mandate, and if this group agreed to be satisfied simply with restoring a cut of 250 million units of account in non-compulsory expenditure, it would be selling our electorate short. We believe that this Parliament must be concerned with something more than just decisions on the petty cash of the Community.

On the rôle of our two institutions, Council and the Parliament, as laid down in Article 203 of the Treaty, we have work to do in deciding what will be the final

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budget of this Community for the year 1980. There will be a dialogue between us, and here again I must address a word of warning to the Council lest they believe that the conciliation procedures which are laid down, and which in the past have prompted a very inflexible attitude on their part, may proceed on this occasion as heretofore. I want to say to them that this time that will not suffice. If there is to be negotiation between Council and Parliament — and we hope there will be — then the negotiation must be real negotiation.

They need not think that the members of this group, in any contacts we have with the Council, will act docilely, they must not think that they are dealing with docile officials. They are dealing with representatives who, like themselves, have a mandate from the people. We seek no confrontation with the Council, we would prefer to work together; but we do say to the Council that this budget of theirs is not the best way to start their relationship with this directly-elected Parliament. It is not a good start. We do not seek confrontation but like you in the Council, we have a mandate from the people. We hope that we may work together on a joint budget as equals, and we indicate to you that our opposition will continue until there are major changes made in this budget.

(Applause)

We do not consider that this debate should concentrate simply on the powers of Parliament. We are not here primarily concerned with the powers of Parliament as against those of the Council; the debate instead is about the policies of the Community as expressed in the budget which we regard as the policy framework of the Community. We do not wish to see this debate become simply a wrangle between us and the Council or the Commission on our respective constitutional powers under the Treaty, though if it comes to this Parliament may at the end of the day be forced to utilize such powers as in our view are necessary.

We are, of course, aware that there are those within the Council of Ministers who worship at the Chicago shrine of Milton Friedman. We know that the best economist in France is a life devotee of Milton Friedman's writings. We know that there are those within the Council who put their trust in strict monetarist policies in their own countries, who believe that this is the way that their economies may revive, and we should not be surprised that within the Council of Ministers they pursue like policies. But if their followers in this Parliament — and they do have followers in this Parliament — wish to atone here in this Parliament for their governments' support for cutbacks in public expenditure which have cost employment at home, we as a group will be glad to have their assistance.

We are also aware, of course, that there are those within the Council who, in their hearts at any rate, cannot agree with proposals which result in cutting support for a regional policy, and I must say my heart went out to the President-in-Office of the Council when he defended these disastrous decisions of the Council here this morning. I for one regret the attitude of the Irish Government in acquiescing in that joint decision to accept cuts in the regional policy, as they apparently did in the Council of Ministers. Whether their mistake was due to listening too carefully to the advice of their ally, the Mayor of Paris, I do not know, but certainly it was wrong advice, from whatever source they received it.

It is not that I or anyone on these benches wish to see Community expenditure increased for its own sake. I should like to see Community expenditure increased only in areas where this can help to achieve basic policy objectives such as ending the regional imbalances which have deepened rather than diminished over the past few years. I should like to see expenditure devoted to central economic issues such as the development of a Community-wide industry policy. I should like to see expenditure devoted to an adequately-funded social policy or to promoting an effective regional policy, so that the victims of unemployment in industries like textiles or other threatened traditional sectors of industry could benefit from retraining programmes and their doomed industries, doomed whether for technological or market reasons, no longer imprisoned them in lives bereft of hope of new employment. I should like to see expenditure devoted to policies such as these. Quite apart from whether one seeks a Community of the peoples, a Community of the workers, or simply a Community which sees its main point in rationalizing the markets — and there is this division of view within this Parliament on the purposes and functions of the Community — it is a fact which even those who oppose one another in that division, which even those on the other side here may accept, that for commonsense reasons alone Community intervention can be more effective in tackling a common problem needing Community expenditure than simply relying on uncoordinated national programmes or, what is worse, uncoordinated national programmes mixed up with Community programmes as well. Even a view such as I have described, which would be expressed on the other side of the House here, a view which was simply based on common sense, would see a rôle for Community expenditure. Even those taking the commonsense, non-ideological view that the Community should support a range of central policies like regional aid, Community industry, a common energy programme and so on could not possibly be prepared for this production of the Council. I have already remarked that they have cut into the Regional Fund at a time of rising unemployment. I have already made the point that it cannot be pretended that inequalities do not exist. They have raided the funds of the regional policy. They are

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reducing the spending this year from last year. Quite apart from the general unemployment prevalent throughout the Community, unemployment is rising in critical areas, and this is the time when the Council decide to cut the Regional Fund! It is a sign of stagnation, a sign that the Council of Ministers, acting under their collegial anonymity, have decided not to answer the Community-wide problem of unemployment.

In the area of energy, despite what has been said, the European Council, meeting here in June, made energy the number one priority for Community action. Now we know how serious that commitment was to action on the energy front: They have cut the entire budget for research. At the very time that these statements were being made in June in Strasbourg, civil servants and ministers were busily removing from the budget most of the Commission's modest proposals for energy policy. Even such minor items as energy studies and prospecting for new energy resources were attacked and cut back — and these, remember, in a budget which may be exorbitant in certain areas. The proposals in this area, however, were small proposals amounting to less than 1% of the preliminary draft budget; yet Council saw fit to cut them out of the budget.

Such an inconsistent approach, to put it mildly, is very odd. It suggests that despite the bold declarations of prime ministers and presidents, the national governments, working together in Council, are incapable of meeting the Community's needs. The challenge for this Parliament is not to force the Council to do the things it does not want to do, but rather to force the Council to do just what they themselves have repeatedly said they wished to do. I do not underestimate the fact that there are difficulties in the sphere of energy. I do not pretend to suggest that Mr Brunner has not come up against difficulties based on national interests, and it is a fact that throughout the Community individual Member States are anxious to maintain control over their own supply situations; but I do say that the Community must not give up the effort to get a common energy policy accepted. It must not give up the effort, and if the Council of Ministers reduce the budget and cut the ground from under the feet of anyone looking for an energy policy, this shows a great lack of seriousness at the present time, *(Applause)* because, quite apart from the difficulties associated with oil supplies from Iran, it is possible that another Iran will occur; it is a fact of life that this Community must come to grips with the energy situation and must not give over the struggle of adopting a common energy policy.

A budget which has seen so many policy proposals abandoned — regional, social, energy research, the consumer protection programme (the budget was cut there as well of course) — a budget which has seen so much that amounts to a retreat from policy direction

by the Community, such a budget, however, has seen agricultural spending not cut back but increased. Criticism is not disarmed by the fact that they have expanded spending in this area; rather we must note that even in the sphere of agriculture they have cut back spending on guidance and development. And paradoxically enough, by slashing all these vital areas I have mentioned and maintaining the guarantee section of the CAP, they have hastened the day when major reforms will be demanded in the CAP throughout the Community, because it is not possible to defend the CAP in the light of a budget which has seen so much of importance for ordinary people destroyed, mutilated and cut. They have reduced expenditure on structural measures in agriculture whilst increasing the expenditure on the guarantee section. I question whether in fact that kind of policy within the CAP is to the advantage of working small and medium-sized farmers: I question that and so does this group.

It becomes even more difficult to defend the CAP in connection with this budget when you appreciate that the increased amounts by way of payment appropriations for the Agricultural Guarantee Section exceed the combined total of the Social and Regional Funds. How is it possible, in the light of this budget, to defend such allocations to the CAP?

And again what an obscenity, that the very same budget which has made these errors in the major policy fields has not provided for any increase in food aid! No increase in food aid! The mind boggles at the order of priorities of a group of men, purporting to be leaders of the Community, who could cut food aid.

(Applause)

I want to make it clear that this group supports the maintenance of the incomes of the agricultural population on a level with those of the non-agricultural population; I want to nail the lie that we are against the interest of the working farmer, because we are not. But this group is not on the side of the industrialized farmer and we do say that an agricultural policy which is undifferentiated in its application, which does not adequately support the development and modernization of farming and which does not support the position of the working farmer adequately, cannot be defended in the light of a budget in which so much has been cut.

(Applause)

There is no leadership evident in these proposals of the Council. Perhaps the function of leadership is reserved for the national area. Perhaps. But certainly no leadership is evident in this budgetary expression of the Council's intentions regarding the future of the Community. I have said that these budgetary proposals on the part of the Council of Ministers mark a

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retreat in the major policy areas. Not an advance but a retreat. But the Council are making an error if they conclude that this group and this House will fall into the convenient rôle which they have apparently assigned us. They make a mistake.

How do we characterize the times in which we live? Recently the IMF noted in its annual report that the industrialized nations face a markedly deteriorating economic climate. They note that the combined impact of both inflation and growth and this year's round of oil prices have detrimentally affected the economies of the industrialized countries and it would be helpful, the IMF recommend, if the major industrialized nations would coordinate their economic policies more carefully. Greater efforts need to be made toward energy conservation, improving industrial productivity and solving structural problems such as unemployment which no longer respond to macro-economic treatment, they conclude. Obviously this Council did not read these conclusions — or, if they did read them, they certainly ignored them or thought there was no place for such conclusions in the European Community.

I am coming to my conclusion, Mr President, because we have Jacques Delors to speak also for our group, but I want to make this point. One could go on chronicling the vital policy areas in which there have been unexplained cutbacks. I do not exaggerate the overall influence of the Community budget; I appreciate that it is, in its entirety, less than 2% of the combined national budgets of the Community Member States; but I do believe, and this group believes, that the budget should be a policy instrument at all times for economic growth, it should include a clear statement of priorities to guide the Community over the coming year, it should be the expression of a clear policy in Community affairs. Earlier this week, President Jenkins remarked that we should not be cast into the slough of despond when we consider the progress of the Community. He admonished us not to fall into despair. On the evidence of this offering from the Council, we could very easily be forgiven if we were to fall into despair.

Who is responsible for this budget? Not individual member governments. I do not know of any individual member government which will defend this budget, this production of the Council. Each takes refuge in a kind of collegial responsibility. The Commission claim that their hands are clean. No one is responsible. I want to make it clear that our group is not in hot pursuit of the Council as such. We do not see this debate as a competition of power between the various institutions. Nor do we absolve each institution from responsibility.

We would not absolve the Commission entirely of complicity in the particular budget we are discussing, because I have been a Member of the Council of Ministers and I know exactly the close relations which

do exist between the Council and the Commission. But I say this now in my capacity as a Member of this Parliament: this Parliament does not intend to be taken in by any so-called independence of one or another institutions; we intend in our anxiety to ensure that a budget is adopted which answers truly the problems of the Community. We do not intend to back one institution against another; as I say, the Commission can be fairly said to have had some complicity as well in the situation before us.

We are not opposed to this budget because we are outraged that it represents an affront to Parliament (it does that, of course, but that is not the primary sense of our opposition); primarily we are opposed to it because the people — the people, who after all are our masters and recently sent us here in a Community-wide election — sent us here in the hope that we would fulfil a mandate to make of our Community a true alliance of the European peoples founded on economic justice, a Community that would be eager to take on the great issues of our times. And the great economic issue of our time in Europe is unemployment: that is the great issue evaded by this budget of the Council. They sent us here to play our part in the Community and to find the courage to lead: that is why we oppose this budget; we see in it a shameful retreat from the kind of issues which concern the people who elected us.

(Applause)

A great Welsh Socialist, Nye Bevan, talking of his national Parliament, said that Parliament must not be a public mourner for private economic crimes. I tell the Council and I tell the Commission that this Socialist Group, with elected representatives from every Member State, will not permit this Parliament to be reduced to the rôle of public mourner for the omissions, the mistakes, the lack of leadership of other institutions of the Community. It is in that spirit that I, on behalf of our group, declare our opposition to this budget.

(Applause)

President. — I call Mr. Pearce, who has put down two questions on the same subject for Question Time.

Mr Pearce. — Mr President, the purpose behind the questions I put down was simply to underline one point, and that is the possibility or indeed the likelihood that the Community's own resources will be exhausted in the next year or two. The reason why they will be exhausted is simply because of the runaway and uncontrolled expenditure on agricultural production, and in particular on the production of agricultural surpluses. One of the possible casualties of the exhaustion of own resources in the Community could be that spending on regional policy would be curtailed or eliminated completely. That would be a tragedy, a tragedy for the areas concerned and a tragedy for the Community as a whole.

Pearce

Mr President, people in regional policy areas, such as my constituents in Merseyside, have just as much right to a decent standard of living as the farming community. The Community does not exist simply to benefit farmers. Certainly farmers, including farmers in my own constituency, have their rights, but other people have their rights as well and it is time that those rights were understood and emphasized. My purpose now is simply to urge that the Council should in future act responsibly (and I am not sure that its decisions hitherto on farm prices deserve to be described as responsible), restrain this runaway expenditure on farming production and agricultural surpluses and review the system of own resources so that there is a guarantee that spending on regional policy will not be threatened.

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

Mr Notenboom. — *(NL)* Mr President, I should like to thank Mr MacSharry for his statement and for his courage in chairing the Budget Council and at the same time cutting such a cheerful figure in this House. His was a thankless task, as will become apparent from my speech. This should not, however, detract from the fact that a great deal of respect is due to Mr MacSharry for his commitment to the European cause. It is a pity that we have to rely on his statement and on press reports because we have still not received a copy of the draft budget. This means that we still have no knowledge of what is in the explanatory statement and to what extent it differs from the Commission's, and that is most regrettable.

Let me tell you, Mr President-in-Office of the Council and Mr Tugendhat, that the members of my Group and in particular those who are also members of the Committee on Budgets are straining at the leash to make a start on the item-by-item scrutiny of the draft budget which has been presented here today, in the consciousness that — as the Socialist spokesman said just now — we are now directly elected representatives of our peoples.

We have no intention of slavishly accepting the Commission's figures, although we have a great deal of respect for the Commission's draft. Needless to say, we have even less wish to go along slavishly with the Council's efforts. What we want is to carry out an independent enquiry with the assistance of the experts who are there to help us and based on the criterion of what kind of policy Europe needs and what minimum level of finance is needed to implement it.

The most urgent problems are the need to combat unemployment, matters involving social and occupational training, the need for retraining as a result of structural reorganization in the economy, industrial policy, research, energy, the regional policy and the expectations of the Third World.

In other words, we must concentrate on what the people of Europe — especially those faced with the greatest problems — and those outside Europe expect of the European Community. Financial matters are not the sole criterion, but they are one aspect of the problem. As far as priorities are concerned, we believe expenditure on social measures and on retraining programmes to be more sensible and more necessary than the provision of funds to enable unprofitable branches of industry to retain an artificial level of capacity.

We have no preconceived notions about the final size of the budget, but we shall, in our enquiry, investigate what use is being made of the appropriations provided for in the current budget. We hope that the Council — as the other arm of the budgetary authority — will, at the end of the procedure, cooperate freely with this House in fixing a definitive rate of increase for the budget.

Like the previous speaker, I cannot conceal my disappointment at the way in which the Council of Finance Ministers — the Budget Council — has behaved over the draft budget. We are disappointed at some of the wholesale deletions the Council has made and we wonder whether this Council has really taken the trouble to calculate the minimum finance necessary at Community level for 1980. Let me take as one example the 100 million EUA proposed by the Commission as a subsidy to the ECSC. If I have understood correctly, this has not even been left as a token entry. This appropriation has simply been swept aside, finally and without further ado, whereas everybody knows what social and retraining measures and the like are needed to deal with the problems facing the steel industry.

Another example is the drastic reduction — following the compromise hammered out at the very highest level last year — in the resources allocated to the Regional Fund. Last year's compromise was reached after a great struggle which went right to the very highest Community level, the European Council. The funds provided for in the new budget are substantially lower than last year's compromise amount, which this House did not regard as adequate even then. This is the fund which is supposed to reduce the differences between the various Member States, and which is so very important for a number of important European goals.

Let me give you one other small example — the amounts concerned are not large, but it is typical of the way the Council has gone about its work. All the Member States come knocking at the Commission's door with requests for information like: "What we need is statistics on textiles as a basis for policy formulation". The Commission has put forward a proposal which will not even cost one million units of account

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and which will decrease in time, with the idea that business should gradually take over costs of this service itself. Although all the Member States have asked for this step to be taken, the Budget Council simply says 'No, nothing doing', not even a token entry in the budget. This just goes to show how little internal cohesion there is within the Council. Constitutionally, there is only one Council, but in reality there are of course a number of Councils, all manned by different people. The result is that there is no cohesion, and that is bad news for Europe, as is evident here today.

I have not cited these examples with a view to suggesting here and now what should take their place. We shall be in a position to make alternative proposals after completion of the enquiry which we — under the chairmanship of our rapporteur, to whom our thanks are due — are going to undertake. These examples were simply designed to emphasize the lack of cohesion in the Council's work.

24 September this year saw the appearance of the report drawn up by the Spierenburg Review Body on the reform of the Commission of the European Communities. A rapid read-through of this report seems to me to justify the reservations this House has shown over the last few years with regard to increasing the number of officials. The report claims that staff mobility could be improved and that is something this House has always maintained. Of course, this does not mean to say, Mr Tugendhat, that new posts are not justified when the Commission is entrusted with new work. The Commission must have capable people to enable it to carry out its tasks.

This is something we shall certainly have to go into carefully. Nevertheless, I thought it worth mentioning the Spierenburg Report in this context.

Mr President, it has already been said that this debate on the 1980 budget is overshadowed by the imminent exhaustion of the Community's own resources. My Group has two alternative solutions to offer: not either/or, but complementary solutions. In the first place, it is absolutely essential that our own resources should be increased. We realize that this will require an amendment to the Treaty. Secondly, and at the same time, serious consideration must be given to identifying the areas where money is not being spent to the maximum effect, and where the needs have perhaps become less pressing. The search for new own resources is inevitable given the savings that are now being made. It will certainly not be easy to find new own resources, and even if they are forthcoming, it will certainly not be within the coming year. Any such development will require agreement at Community level and approval by the nine national parliaments. We feel that this must happen as a necessary consequence of the saving in the current budget.

Because the process is bound to be so protracted, we expect the Commission to come up with concrete

proposals before the end of this year on the problem of own resources. While I am on the subject of the Commission, I said earlier that we hold the Commission's draft in high esteem and that we also greatly appreciate the remarks made by Mr Tugendhat this morning. However, I must place on record my disappointment that this House did not receive the reference paper on budgetary questions, unlike the Council of Ministers of Finance and Economic Affairs. The problem dealt with in that paper is inevitably closely linked to the question of own resources. Only a few weeks ago, we were told that no conclusions had so far been reached, but that there was an analytical paper which did not necessarily give rise to political conclusions. The Council of Economic and Finance Ministers has had a chance to study this document.

However, and despite a unanimous request issued by the Committee on Budgets, Parliament has not received this report. This is something I strongly deprecate. I regret the non-appearance of this document because Parliament does after all enjoy equal status with the Council in dealing with this problem, and its responsibilities are no less than those of the Council with regard to the problem of income and the ways and means of distributing the resources of the European budget. We naturally wonder whether the document will be sent first to the European Council in Dublin without our seeing it, so that we shall, once again be presented with a *fait accompli*, as has happened before.

I do not want to go into the subject matter of this document, apart from making the point that a purely book-keeping statement of budgetary income and outgoings cannot possibly give a full picture of the advantages and disadvantages of membership of the Community for any of the Member States. We shall be curious to see this report.

I should also like to make the point that redistribution is not an end in itself. I spoke earlier about the great importance of the Regional Fund; it is something my Group has supported for years. Let no one doubt that we shall continue the fight. But this should not be misinterpreted as meaning that convergence can be achieved by way of a redistribution of resources. Let me say quite clearly that the convergence of national economies cannot be equated with the redistribution of resources. It can only be achieved if the Member States coordinate their own national policies and adapt them to each other. And if that cannot be achieved without financial aid, then such aid should be forthcoming. That is the kind of solidarity the Community should offer. With the approaching exhaustion of our own resources, many observers are blaming the Common Agricultural Policy for the fact that no more money is likely to be available

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for the other policy sectors. Not everyone says so in so many words: some think it but are not prepared to say so whereas others come right out and say what they think. Some of the criticism in this House has been fairly carefully formulated; other speakers have been less cautious. It tends to be forgotten, however, that the Common Agricultural Policy is — as far as providing guarantees for a market sector is concerned — the only fully integrated Community policy. Its effect is to take a great deal of pressure off the national budgets since the money needed to fund the policy comes from the Community budget and not from the national budgets. This policy of substituting Community activity for national activity is something my Group would like to see repeated in many other fields. It is, after all, in the interests of the consumer that we should have reasonably stable food prices and that Europe should now be virtually self-sufficient in terms of food. Just imagine what it would cost if our degree of self-sufficiency in terms of food were also low as that of oil! There are also political elements — such as the Mediterranean Policy, New Zealand, development and — whereby we have undertaken to allow into Europe produce which we do not need for our own consumption but which serve some other purpose. The cost of these policies should not be marked up to the Common Agricultural Policy.

As other speakers — including the previous speaker — have said, the problem must not be solved at the cost of the incomes of hard-working farmers.

My Group is convinced that this is a very real problem. Particularly in the dairy sector, the excesses are reaching serious proportions and the problem is crying out for a solution. It is my belief that this House will have to come up with that solution, because I do not expect anything of the kind can come from the Commission or the Council. I myself and many other members of my Group feel that it will be up to us in the coming months and years — but particularly in the coming months — to seek ways of counteracting these serious excesses — you will note that I am not referring to the basic shortcomings of the Common Agricultural Policy. My colleague Mr Früh will be coming back to this point and will be putting forward a number of suggestions. The large surpluses testify to a breakdown in the balance between production and consumption, and this breakdown is costing us a great deal of money. We deplore a number of decisions — not all of them, mark you — taken by the Council of Agriculture Ministers on — to take one example — the co-responsibility levy. All this should, however, not make us blind to the many positive aspects of the Common Agricultural Policy.

We believe that more appropriations should be written into the budget for a number of items making up a minimum Community policy and that an

increase in own resources is thus inevitable. This does not mean to say, however, that we intend simply to give the tax screw another turn. I perfectly well realize that, in a number of Member States, the pressure on the taxpayers has become so great that a fundamental shift is taking place in costs, whereby our exports are becoming more expensive and Europe's competitiveness is being adversely affected, with all the resultant dangers in the employment field. Coming from the Netherlands, this is something that I am only too well aware of, and it applies, of course, to other countries as well. We Christian Democrats firmly believe that, in a number of fields, national policies must be replaced by European policies. We must put the budgetary powers available to this House to use to set in motion a European policy which, given an attitude of constructive cooperation, should be cheaper and much more efficient than uncoordinated policies pursued separately by the Member States. That is what we have in mind when we say that a number of items in the budget are inadequately funded. National policies must undergo a process of Europeanization, and I am sorry to say that the Budget Council has not even made a start on stipulating which areas are most suited to such a process, and capable of undergoing it already, i.e. which items in the national budgets should be considered for Europeanization, so that they can then be deleted entirely from the national budgets. This would not lead to any increase in the taxpayers' bill. Of course, I realize that this kind of thing cannot be worked out down to the last franc, the last pound or the last guilder, but that is the objective, and it has been shown to work!

We are, of course, disappointed at the Council's refusal once again to incorporate the European Development Fund into the budget. The amount of money involved — something like 0.09%, if I remember rightly — is really neither here nor there as far as own resources are concerned. I believe the President-in-Office of the Council said that a separate scale of contributions applies to this Fund. But there are a number of other separate contribution formulas which, as it were, form part of the main formula by which the European budget is drawn up, to wit, own resources. What we are talking about, then, is nothing more than marginal amendments, and that being so, the Council's objection cannot — as far as I can see — possible hold water.

The same applies to borrowing and lending policy, for instance, the Ortolí Facility, the ECSC loans, the medium-term support loans and also the Euratom loans.

I should like to cite one more example, Mr President, that has not been referred to so far today: something which illustrates why we believe the budgetization of borrowing and lending to be so important. On 4 September this year, the Commission put forward a proposal to the Council to raise the ceiling for

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Euratom loans from 500 million to 1 500 million units of account. The Council did not ask Parliament for its opinion. The Commission, I regret to say, did not even publish its proposal in the Official Journal, as is customary on such occasions. Our aim, therefore, in pressing for the budgetization of this kind of borrowing is to ensure that this House — as one arm of the budgetary authority — can no longer simply be ignored. It seems to me that this whole matter has a great many financial implications, but, more important than that, it has political implications. That being so, the European Parliament cannot simply be ignored. There are a number of other reasons why this House has for years been pressing for budgetization. I think I have given you one interesting example of why the situation as it stands is unsatisfactory. The effect of budgetization will not be to increase the total budget; clearly, there must be a balance between income and expenditure, and this applies as much to borrowing and lending as it does to other sectors.

The Council has at least agreed to keep a dialogue going with the European Parliament, and that is something I welcome. It is nice to see a ray of sunshine now and again. I am sure we shall all be very glad to keep on talking to the Council.

I should also like to endorse what the rapporteur said about the dangers of the Council undermining this House's budgetary powers by means of the management committees and by including precise amounts in regulations, which — by contrast to precise amounts included in the budget — we have no power to discuss. We think these regulations should at most include indicative amounts. As I said, there is a great danger here of the European Parliament's powers being undermined. There is also a danger that the items included in the budget by Parliament, and which are unfortunately sometimes a source of conflict with the Commission, are not being used.

It is a pity, Mr Tugendhat, that you will have no opportunity this afternoon to answer our questions; that will have to wait until October. We await those answers with great interest. If we had had them at this part-session, we could have taken them into account in our work on the budget over the coming weeks. But, of course, I realize that it is already difficult enough to draw up an agenda for a part-session.

The Committee on Budgets will have to carry out a detailed investigation of what items last year's "magic formula" does and does not apply to, in other words, for which items we can declare that inclusion in the budget is sufficient authority for the executive to spend appropriations without requiring any further legal authority to do so. I hope that, in the course of our discussion, we shall hit on interesting and sensible solutions which Mr Tugendhat can also go along with.

Mr President, as I said earlier, it is a pity that the Council is so late this year in dealing with the draft budget. The result is that, just when the new directly elected Parliament could do with a little more time, the vital text is unavailable. We both of us need to get to know each other a bit better, because this is a very difficult subject. From the psychological point of view, just when we needed a bit more time, we have in fact got less time at our disposal because of the Council's inability to get its part of the business completed in July. That is a matter for regret, and it is something for which the Council will be given a black mark. I trust that, if we should ever make a little *faux-pas* in the future, the Council will not make a great song-and-dance about it. We shall then be quits.

I feel I must, at the end of my speech, mention the fact that the European Parliament has, since July, had a Budget Control Committee of its own. I do not want to suggest that things were done badly in the past — far from it — but there was good reason for creating an independent committee of this kind. I hope — indeed, I am sure, knowing the members and the chairman of the committee — that this new committee will be able to cooperate with the Commission and the European Court of Auditors to help make the expenditure side of the Community's business more efficient and adopt a more aggressive attitude to fraudulent use of that money.

As I said in a different context, organized crime has unfortunately here and there got a grip on agricultural refunds, levies and monetary compensatory amounts. I was not exaggerating when I referred to 'organized crime'; these are no twopenny-halfpenny smugglers. What we are talking about are organized criminals who are doing a smash-and-grab job on our own resources and are thus exacerbating our problems, quite apart from the sheer injustice that results from their activities.

Parliament, together with the Commission and the Court of Auditors, has the important task of finding ways of vigorously combating such activities. This too is part and parcel of the budget. We must not allow hidebound procedures and inadequate cooperation between the national authorities which are responsible for collecting the levies and doling out the refunds, and the lack of flexibility in relations between the national authorities and the Commission, to let the thieves nip in and make off with all the rich pickings. That is something that is still happening. Mr President, and it is something which must stop. The Court of Auditors is a sorely needed institution; I get the impression that it has made a pretty decent start on the difficult job it took upon itself just a short time ago. We have a great deal of admiration for what we have seen of its work so far.

Notenboom

Let me conclude by saying I hope the Council will not repeat last year's attempt to shift the responsibility for internal decision-making problems to Parliament by interpreting Article 203 of the Treaty in such a way as to pose a threat to our own powers. We hope that we shall have a fruitful dialogue in the months to come, with the active cooperation of Mr Tugendhat and his fellow commissioners. The Group of the European Peoples' Party intends to get down to work with an open mind and without preconceptions, but we shall not forget that we are directly-elected Members of the European Parliament, and that people both inside and outside Europe are expecting a lot of us. Having told our voters that we were one arm of the budgetary authority, it is now up to us to show that these were not just empty words. That is something the Council will have to take account of.

The words I use may be different, but my concluding remarks will be very much the same as those of the previous speaker, whom I should like to congratulate on his maiden speech. We are clearly thinking along the same lines. Parliament's self-confidence has grown since the direct elections. The budgetary procedure has now got under way, but there is much still to be done before the end of December.

IN THE CHAIR : MR ROGERS

Vice-President

President. — I call Mr Tugendhat.

Mr Tugendhat, Member of the Commission. — Mr Notenboom particularly mentioned the reference paper. He said that Parliament had asked the Commission to forward the paper and he complained that he had not received it. I would like to place it absolutely on the record that we sent it to the Parliament on 17 September, the day on which the Finance Ministers held their meeting. I know the copies of the paper have been available here in Strasbourg, though I gather that not enough were brought down by the Parliament's own services. It is available in Strasbourg and indeed I have seen copies of it in Members' hands.

President. — I call Mr Notenboom.

Mr Notenboom. — (NL) Mr Commissioner, you will understand that I did not know that, otherwise I should naturally not have said it. Thank you very much, I am very happy with what the Commission has done. The paper has still not reached us because of internal problems. I thank you again heartily and beg your pardon for the mistake I made.

President. — I call Mr Taylor to speak on behalf of the European Democratic Group.

Mr John M. Taylor. — Mr President, I listened with care and interest earlier today to the presentations by the Council and the Commission. Both were lucid and, as far as I am concerned, one was perhaps rather more convincing than the other. In following Mr Dankert and Mr Jackson, may I wish both of them well in their tasks and may I welcome the sense of purpose with which Mr Dankert is approaching his awesome job. I want him to know that he has friends in this quarter of the Chamber, in the light of the remarks that he made. And Mr O'Leary, in the course of his remarks, said — I think I am quoting him correctly — simply restoring 250 million units of account will not satisfy his group. The same would be true for my group. He taunted me, or he taunted those of my political persuasion, on our stance on public expenditure. And I would like to make it quite clear that I am no enthusiast for increasing public expenditure, but I can recognize a lopsided budget when I see one.

Finally, in these acknowledgements of other contributions, can I thank Mr Notenboom for the important comments he made in the context of recognizing the all too serious dairy problems of the Community.

Mr President, for many of us who are new to this Chamber, reading the Commission's preliminary draft budget during the summer was a refreshing experience. It gave notice of a desire to reverse the continuing and persistent preoccupation of the Community's budget with agricultural activity. It gave notice of a willingness to encourage the development of other Community policies which those of us who want to see European cooperation and convergence know to be desirable and wish to see advanced in the long-term interests of European friendship and security. Certainly we would want to restrain unnecessary expenditure. Certainly we would insist on value for money. And those cautions I shall return to. But it was the political change of direction of the Commission's preliminary draft budget that was so welcome, a change in the shape of the budget, a change of style that seemed progressive and hopeful. Now I can say that we can reconcile, as a group in this quarter of the Chamber, the encouragement which we felt with our traditional caution about value for money and the awareness of the need to supervise expenditure. Mr Notenboom referred to the former Board of Auditors. We now have the Court of Auditors and the Fully-fledged Budget Control Committee which are able to look after matters of monitoring expenditure and discharge on our behalf.

Mr President, before I turn to the draft budget, let us mark, and mark quite properly, that there are extravagances in Europe and we must not deny it. We must tackle them and sort them out, for as Mr Dankert said, the money belongs to the citizens of Europe whom we have been elected here to represent.

J.M. Taylor

We must show those people that our efforts are directed to pursuing policies that can be validly pursued with European economies of scale, and we must be intolerant of waste wherever it occurs, and, dare I say, not least in the agricultural sector where there are wide open avenues of criticism of waste for all to see.

Mr President, may I say gently and briefly that some of us are concerned too about fairness in the way the burdens of contribution fall. But I shall not pursue that now, except to say that it is a problem that does not seem to be diminishing, and it is a problem where sooner rather than later a significant number of people who believe themselves to be good Europeans will look to other good Europeans to view their anxiety with understanding of a practical kind. The exploring and ultimate, implementation of new forms of own resource may provide longer-term solutions and cannot, for other reasons, in any event be long delayed.

So much, Mr President, for the background to the advent of the Council's draft budget, or at least the anticipated advent of the Council's draft budget, for I have not yet seen it in my own language. But what I do know, what I think I can reliably believe, leads me to understand that the draft budget has knocked all the political stuffing out of the Commission's preliminary draft proposals, and it has simply and nakedly hammered it back into the same old shape in which, if it is not challenged, it will lead us to the limits of own-resources in an increasingly agricultural posture with other valid Treaty activity held back and stunted. The plain fact is, Mr President, that the Council has produced a draft budget that is bad for Europe.

(Applause)

I am confident that the founding fathers of the European Community who salvaged hope from the despairs of war never visualized that they were setting their peoples on a road that would lead to a form of working together in which total commitment and agricultural commitment would get nearer and nearer to becoming the same thing.

The Council will have to accept that Parliament is joint budgetary authority and will not, and more importantly should not, be squeezed out of the budgetary process. Our entitlement to represent European opinion in European affairs is, I think, transparent to our citizens and I feel sure that there will be emerging in this Parliament proposals not only for amendment of non-obligatory items in this draft budget but modifications in obligatory areas too, packages of compensatory modifications and amendments. This group, Mr President, for whom I speak, would be glad to take part in the formulation of those proposals. I think that Mr Dankert is no longer in the Chamber, but would some of his colleagues be kind enough to convey that

sentiment to him. We would hope to share ideas. We must search for the options for these modifications in compulsory items and I would suggest that we should not dissipate our efforts. I have listened to this debate this afternoon and found a remarkable degree of consensus round the chamber. And so I say we should not dissipate our efforts. In the responsible use of our budgetary powers the assembling of majorities is absolutely critical. The assembling of majorities is of the essence, and I think there is goodwill and there are majorities, and we should wear down mistrust and find great areas of common ground that I believe to exist.

Mr President, with all the problems of unemployment industrial problems, the energy problems and the problems of the regions in Europe, I am not asking this Parliament to go in for heroics, I am asking it simply to do its duty. What is at stake in the handling of the 1980 budget by the newly elected Parliament is more important than Parliament's self-respect, though that also is certainly at stake. What is truly at stake is whether the European idea is to have an annual setback known as the budget. Parliament has budgetary powers far greater than many imagine and we have a mandate Mr President, we can squander or we can achieve. We can sit here year after year in frustration or cynical indifference or we can take our European responsibilities and see them through.

President. — I call Mr Spinelli.

Mr Spinelli — *(I)* Mr President, I rise on behalf of the Italian members of the Communist and Allies Group. As, however, we were all elected in the European elections and we are discussing the budget of the Community, which is the European budget, I shall try to avoid viewing things from a purely Italian standpoint and look at them from the standpoint of the Community as a whole.

On 20 July last, the Council was present during the debate we had on the preliminary draft budget submitted by the Commission and could see for itself the nature and magnitude of the dissatisfaction with that budget shown in almost every part of the House. On 11 September, the Council received a delegation from Parliament. The meeting was held for an exchange of views but, as its President reminded us today, Council has its own way of interpreting an "exchange of views" and after asking for information about things on which it was clearly already well informed, it stuck to its point of view. However, it heard the opinions which, led by our President, Mrs Weil, the Parliamentary delegation expressed in precise and clear terms. Finally, on 27 September, the Council presented us with a draft. 'Presented' is pitching it rather high because it only talked to us about it. The draft has not yet reached us because man is capable of telling us the exact point of

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time and place at which a missile lands on the moon but is not capable of dealing with the problem of a little local strike in order to provide Parliament with the documents it needs for its work.

However, we managed somehow to get hold of the document and to read it, albeit in some haste. We had expected it to show that the Council had somehow been able to take account of at least some of the opinions of Parliament but we found that the draft completely ignores the very clear opinion of Parliament on the issues involved. This cannot fail to cause disquiet and raises a number of questions. The Council does not yet seem to realize that it is no longer proprietor of the budget and that, together with the Parliament, it forms part of the budgetary authority and, therefore, must take Parliament's opinions into account. Perhaps there is a certain contempt for this Parliament; a Council document which was not intended for publication contains the statement that, if Parliament gets too obstreperous, all it needs is some *Taschengeld*, some *argent de poche*. Instead of assuming responsibility for determining the needs of the Community, the Council seems to have behaved like a carpet-seller who starts with a high price in order to bargain for something halfway. It looks suspiciously like a deliberate intention to stop the Community from developing. It looks as though there is an inability to appreciate how much, these days, we need a strong and active Community to help our countries get over the crisis and the grave developments which threaten us. Perhaps the draft budget results from a combination of these things. If so, it shows how important it is for this House to speak clearly and forcefully from now until the final decision of adoption or rejection of the budget.

For these reasons, instead of turning to the Council or the Commission, both of whom have produced budgets which are unsatisfactory, I should like to ask for the attention of all members of the House, whatever their political allegiance, who are committed to the development of a Community capable of creating a better society and, in consequence, in need of more numerous and effective instruments of policy. I should like them to join me in considering what major changes need to be made in the draft budget and what changes are of such importance that, if they are not agreed, we shall not adopt the budget.

We must not lose sight of the fact that our Community faces a grave and growing crisis. A new recession is in the offing; there is a fresh wave of inflation; energy costs are rising; within the Community, there is a growing disparity between North and South; and our countries are inclined to take refuge in protectionism and produce outbursts of nationalism which could destroy what little Europe has achieved. In a situation like this, the Community, with a responsibility to itself and to the world, represents the most effective

instrument in existence to carry out a balanced and orderly plan for recovery. It must be made clear from the start, however, that the Community must be provided with resources far greater than those available to it now.

In its comments, the Council states that it must restrain inflationary tendencies. Commissioner Tugendhat pointed out that this concern looks somewhat one-sided when the Council recklessly allows the largest section of the budget to be increased and freed from control while cutting down the smallest. Inflationary pressure does not come from the Community budget but from the budgets of the Member States. When we call for an increase in the Community budget, it is to effect economies and to do things at present done badly and uneconomically with less effort and at a lower cost. Another cause for concern is that we have to increase the burden of taxation but I shall not dwell on that because, as Mr Notenboom reminded us, this involves a transfer of resources from the national budgets to the Community budget and is not an increase in tax. What, in short, we have to do is insert a line in the budget so that, in 1980, steps can be taken to raise the VAT ceiling to at least 1.5 % and enable expenditure to be increased if circumstances so require. This can be very easily done because no new legislation would be needed, only a higher figure. There must be clear recognition of the power to issue loans and to enter them in the budget and we must in conjunction with Parliament and not merely with officials and diplomats, consider making radical reforms in the Community's fiscal system and look at the way in which expenditure is shared between the Community and the States. We have to write this in as a binding remark in the Revenue section because we cannot allow things to remain as they are. The Council, however, has cut back as much as it can in order to remain, with plenty to spare, within the figure of 1 % and to have this margin in hand to provide for the compulsory financing of a crazy agricultural prices policy. Those funds are needed to co-ordinate the development of the poorer countries and of the backward regions with that of the regions which are better off. The Council proposes the exact opposite and has reduced this expenditure.

We shall need a vigorous energy policy but the Council wants to cut it back. We shall need an industrial and social policy for the development of technologically advanced industry and for re-structurization and re-development; generally speaking, the Council proposes a reduction. What the Community needs is a drastic reduction in agricultural expenditure by cutting price subsidies and re-organizing the structures. But the Council is cutting down on the structural re-organization section and is once again about to raise expenditure for the EAGGF Guarantee Section. The draft budget represents an overall increase of 8 % compared with last year. Under the

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rectifying letter, it will be even more. Of this, more than 70 % is to maintain farm prices. In 1979, inflation averaged 7 %, which means that the total budget shows a slight increase, whereas the non-compulsory section goes up by 6 % in other words, this section is reduced despite the fact that the situation we are in requires it to be increased. Faced with a budget like this, I believe Parliament must make up its mind whether to accept the *argent de poche*, the *Taschengeld* and make improvements here and there with nothing more in mind than getting back to the preliminary draft budget, despite the criticisms we made of it, or to go the other way and say 'No' to a budget which does not, in specific and unambiguous terms, incorporate the radical changes I have described.

As far as we are concerned, we shall make proposals along the lines indicated and if the budget does not meet our demands we shall not vote for its adoption. Our Socialist colleagues have said that they will do the same. I should like all other members of the House to consider this point: we are not voting now, as we have in the last two sessions, on the comparatively unimportant basis of whether we are on the right or on the left but on the basis of a single principle befitting the dignity of this House, that is, deciding which are in the majority: those who want the Community to stand still or those who want it to achieve the growth in scope and strength which is so vital for us as a Parliament and for the nations we represent. We on our side have decided what we are going to do and we hope and trust Parliament will react in the same way.

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

Mr Maher. — Mr President, I am open to correction, but I believe there are 23 or 24 more Members down to speak. If we keep on as we are going, there is no way that all those Members are going to be able to speak before 8 p.m. I am wondering if there is any limit on the time allowed to speakers, otherwise, Mr President, we are going to have to have another late night sitting, and I don't think that is possible. Would you clarify that please?

President. — Parliament has agreed on a time limit which has been allocated to political groups and to other Members, and the rules are being very strictly applied. So far all speakers have stayed within the limit previously agreed by Parliament.

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

Mr Rossi — (F) Mr President, during the July part-session I made certain proposals on behalf of the Liberal and Democratic Group, and also some reservations, on the preliminary draft budget as placed before us by the European Commission. Unfortunately, our

Group can only describe the Council's draft budget as extremely disappointing. Some may think that the Council's cuts reflect the attitude of an institution which knows that, in any event, we shall make use of our room for manoeuvre. In actual fact, the position is rather more subtle. The common policies financed out of non-compulsory expenditure, in other words, all the common policies which we want to initiate or develop, will, with our amendments, receive only the maximum increase of 13.3 % authorized between the Council and Parliament but, if the Council had increased its expenditure by more than a half of this amount, we in turn would have been able to credit them with a half of this rate of increase and, in consequence, secure a much higher total for implementation of those policies.

This raises the question whether, without infringing the letter of the Treaty, the Council intended to call a sudden halt to the non-compulsory expenditure by reducing our available funds for initiating and developing new common policies. We ought not to be told, therefore, that compulsory expenditure, in other words, agricultural expenditure, forms a disproportionately large part of the budget if no attempt is made to remove the imbalance by expenditure on other common policies which, at present, is either inadequate or non-existent.

Another cause for concern is that, in its decision, the Council makes no reference at all to the imminent problem of the Community's own resources. We did not need the reminder just now that the VAT rate which, this year, is 0.74 %, will rise to 0.88 % in 1980. As our customs duties remain static and our levies diminish, we undoubtedly reach the ominous figure of 1 % in 1981, even without increased expenditure on agriculture.

This is an extremely serious development for the European Parliament because it will mean the end of the financial independence of the Community, which we have fought for so hard over the years and which, of course, only came into being on 1 January 1979. It robs us of our budgetary powers because any new initiative will require to be backed by national subsidies and we shall be retreating from a Community system to an inter-Governmental one. In short, it will be the beginning of the end for the most highly developed of all our policies, the common agricultural policy.

We must try to be fair in dealing with this question. The common agricultural policy absorbs a large part of our budget because it is the only policy which, financially speaking, has been executed in its entirety and also because it often represents expenditure for which the Community makes itself responsible instead of the Member States, whereas in other sectors, such as the Social Fund, the Community supplements expenditure by the States.

Rossi

It is not enough, therefore, to condemn the financial demands which the common agricultural policy makes on the budget. Let us be fair and take a closer look. The first question is whether the common agricultural policy would reach this total if everyone abided by Community preference, which is one of the foundation-stones of the policy. In this connection, I hope we can abandon the habit, which is far too common, of dividing the Member States into two camps as far as agricultural policy is concerned: those who always gain from it and those who lose. I should like to see closer examination given to the concept of 'net contributor'. It cannot be defined solely on the basis of the contribution which this or that State makes to the EAGGF Guarantee Section. This would be a superficial criticism since some States are excused payment of whole or part of the levy on certain products. Examples which come to mind are sugar and butter which, in 1978, represented a loss to the Community of 650 million EUA in levies. Those were really subsidies, ladies and gentlemen, and they must be deducted from the contribution which the States made to the EAGGF. To take the argument to its logical conclusion, it is clear that these levy-free imports take place at the expense of sales of our own agricultural products, that they increase our surpluses and cause us to incur expenditure on storage costs and, above all, refunds. If account is also taken of the benefit derived in some cases from compensatory amounts, it becomes clear that 'net contributor' has a meaning which is open to qualification, if not to question.

Moreover, before condemning the cost of the CAP, we ought to recognize that nearly 1 000 million EUA go to finance the compensatory amounts system, which was the subject of lengthy discussion at previous debates. I could go on and, for example, express my astonishment that the refunds in aid to non-associated developing countries are also entered in the budget by the Council as an item of agricultural policy.

However, I merely want to state the view of the Liberal Group, which is clear and concise: although we are prepared to examine without prejudice any amendment to correct the transfer of agricultural expenditure, we are firmly opposed to putting any ceiling on expenditure on a common policy which, in contrast to Europe's dependence on others for its energy, has enabled us to depend on ourselves for our food.

Mr President, it is not only the expenditure on agriculture but all Community expenditure, in particular, non compulsory expenditure which impels me to plead for a realization by this House of the need to find additional own resources. Last year, the Commission carried out a comprehensive examination of proposals on subjects ranging from the possibility of going higher than a 1 % rate for VAT to the revenue from tobacco, alcohol, petrol, companies and so on.

I think it is essential for the Commission to finalize its conclusions on the matter and it has promised to do so by the end of the year. As the Liberal Group will be proposing, there should be a Parliamentary debate on the subject during the first sessions of 1980. We must not forget that the negotiations between the States and the Parliamentary ratifications occupy many months.

I leave Mrs Scrivener to deal with some sectoral questions which have been particularly badly handled by the Council, the most obvious being the Regional Fund, which is now in an even worse position than last year.

I must conclude with a brief reference to three issues of principle, all of them institutional in character. The Liberal Group cannot agree that the European Development Fund should not be budgetized. How can we possibly accept that the European Parliament, which inspired the Yaoundé Convention, has always been the driving force behind development aid policy and has devoted so much time, effort and attention to the Lomé agreements, should now lose the right to monitor the financial arrangements on which the Convention is based? No national Parliament would tolerate such a situation. This Parliament owes it to itself and to its own dignity to fight for the budgetization of the European Development Fund. The Liberal Group also supports the proposals of the Commission to budgetize the Community's borrowing and lending operations by creating a new Part of the budget. This seems to us to be the minimum required to ensure that the Community budget is absolutely transparent; the public is entitled to this and on its behalf we must press further on this point too.

The last question of principle is clarification of the budget procedure. The need for this became obvious last year after the dispute which you all remember: the dispute with the Council of Ministers over the Regional Fund. This is the whole difficulty of Article 203 of the Treaty; it does not provide for all eventualities and can at any time involve us in fresh disputes. Bearing in mind the interests of the two institutions and the need to protect our Parliamentary prerogatives, we are grateful to the Committee on Budgets for having obtained some proposals from the Commission in Brussels.

Mr President, in the short time at its disposal, my Group hoped to deal with the big issues, the wide-ranging questions and the profound concern to which this budget has given rise. We shall be tabling a number of amendments and going further into these matters but I trust that I have succeeded in communicating to the House the bitter disappointment which my Group felt on reading the contents of this budget.

(Applause)

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

Mr Ansquer — (*F*) Mr President, in times of crisis and austerity, Governments, Parliaments and all who have any political responsibility must budget strictly. But a strict budget can still be imaginative, innovative and even bold.

The avoidance of an unnecessary increase in taxation is, in fact, an additional reason for giving priority to measures conducive to improved economic expansion and to success in the fight against inflation. This is by no means incompatible with a higher growth rate or with measures which will ultimately reduce unemployment in our various countries.

A strict attitude is certainly needed to correct mistakes. Imagination is needed to re-deploy energies. Innovation is needed to embark on new common policies. And boldness must inspire us to breathe new life into the building of Europe. We can get it from the inspiration and work of those who laid the foundation-stones.

Does this draft budget, or what we know of it, really represent Community policy? If you look no further than the Council's decisions, the answer is 'Yes'. But the answer is 'No' if you take account of the suggestions and ideas advanced by this House and of the proposals of the Commission, many of them rejected or changed out of all recognition. For instance, the increase proposed by the Commission in commitment appropriations drops from 13 700 million ECU to 200 million ECU, which is equivalent to an advance of less than 5%. The increase in payment appropriations is only 1.6%.

What worries us most, however, about this draft budget is that its underlying motive appears to be to keep the Community motionless. The agricultural policy appears in all its magnitude but also in all its isolation, whereas no priority is given to new policies of any kind. We do not, of course, consider that the Community budget should be the sole source of European co-operation. But it should re-inforce and, at the same time, co-ordinate the action undertaken in our various countries. We must from now on give the sources; this is the only way we shall ensure that the various countries of the Community take the necessary decisions.

The 1980 draft budget seems to be a carbon copy of the 1979 budget which was itself a repeat of the budget of 1978. The Council's handling of the budget is virtually a foregone conclusion. As in all the best recipes, the Council has produced the usual compromise on the Regional Fund. The Social Fund does rather better, as its cut-back is relatively small. As for the industrial policy, the energy policy and research, all they get is some crumbs.

With what result? Quite simply, the splendid isolation of the CAP which, in consequence, is the object of all attacks both at the Commission and in this House. Nevertheless the common agricultural policy, the embodiment of our solidarity for eighteen years, is the only real common policy which exists. It is the pivot on which the Community turns. It is beset with difficulties, as we all know. But the main cause of these difficulties is non-observance of Community preference.

So the agricultural policy, the rock on which the Community rests, must not be dismantled because of its shortcomings but, very much the reverse, it must be reinforced. How can the CAP be criticized for taking up 70%-75% of the budget when it is the only common policy we have?

Alongside the agricultural policy, we can recognize two fields of activity as developing pretty satisfactorily. I refer to the Social Fund and the Regional Fund. In saying this and calling on the Council to carry on the good work, especially in strengthening the Regional policy, we must ensure that Europe goes forward and that other common policies are put into effect; we do not want the citizens of the Community to get the impression that the agricultural policy is our only concern. We must show our determination to work together in resolving the grave difficulties which all Europeans are experiencing and in achieving the far-reaching aims of an increasingly buoyant and united Europe.

As responsible Parliamentarians, we realize that, in times of austerity, we cannot do everything at once. We have to lay down priorities. As far as this Group is concerned, the priorities are energy, research and space. We have entered an era when energy and raw materials cost more than ever before. This affects our daily life in many ways. It has repercussions, direct or indirect, on the life of all our citizens, especially the poor. Consequently, the achievement of independence in energy supply, especially through the development of alternative fuels, is an objective involving the whole Community. In this case, too, we call upon the Council to take determined action on the basis of a common energy policy and the decisions necessary to finance it.

I turn now to certain technical or budgetary policy questions. The draft budget enshrines the Council's virtual refusal to budgetize the European Development Fund. The European Progressive Democrats maintain, as always, that the Community budget is not merely a document of account but an instrument of policy. Because we believe in the principle of budgetary unity, we are in favour of budgetizing the European Development Fund. The principle must also apply to the European Investment Bank because we cannot have two sets of weights and measures.

Ansquer

On the same grounds, the Group supports budgetization of borrowing and lending operations. The general budget should register all aspects of Community activity. Borrowing and lending operations form a major constituent of the Community's financial policy and cannot, therefore, remain completely outside the budgetary procedure.

The reasons given by the Council for rejecting a global operational reserve are rather surprising. No one would dispute that new activities which require the adoption of a regulation cannot be the subject of entry in the budget; the truth of this is confirmed by the fact, in connection with implementation of the budget, the House itself insists that the inclusion of an appropriation commits the Council to the adoption of the corresponding regulation during the financial year.

However, the global reserve covers other types of appropriation, so the decision is, to say the least, strange. As for entry in the general budget of appropriations intended to meet the deficit in the Coal and Steel Community budget, this is an unsatisfactory way in which to set about achieving the double objective of closer Parliamentary supervision of ECSC expenditure and, as some people want, the inclusion of the Community's activities in one and the same budget.

Finally, there is the question of the classification of certain EAGGF, Guarantee Section, expenditure. The classification of certain kinds of expenditure is a problem with which the House has long been familiar. It would not be helpful to add to the existing confusion by introducing budgetary technicalities. The question must first of all be tackled at the political level and the European Progressive Democrats are, accordingly, opposed to any change in the classification of expenditure within the Guidance Section of the EAGGF.

Mr President, in the light of these considerations, it is clear that the difficulties of this financial year will be even greater if we reach the resources ceiling in 1980. Nevertheless, the progress made in a few years encourages us to hope that our political determination will assert itself in the form of action to consolidate the agricultural policy as the corner-stone of the Community, to strengthen and develop our farming and food-producing potential to cater for the needs of Europe and the world and, finally, to carry out without delay the tasks to which we have given priority so as to ensure that Europe plays a crucial role in the councils of the major powers.

President. — I call Mr Bonde.

Mr Bonde. — (DK) Mr President, as representatives of the anti-EEC *Folkebevægelse*, we have a special mandate here. On the one hand, we have to take back information to Denmark so that our people can be involved in decisions before they are actually taken

and, on the other, we want to make European public opinion aware of the thoughts occupying the minds of the majority of our population.

As members of the *Folkebevægelse*, we have nothing against the existence of this Parliament. If asked whether this Parliament is a good idea, we should say it is a thoroughly bad idea. But it is our aim to take the Danes out of this Parliament once we can get Denmark's full membership replaced by a general trade agreement similar to that between the Community and Sweden and Norway. We hope then that there will be the best possible relations between the politicians of our countries, we hope to have the best possible relations with our neighbours in Europe and to carry on the maximum amount of trade with them, but we hope that this international cooperation will be based on principles of mutual advantage, equality and independence.

It is, then, against this background that we shall be voting in the budget debate. We do not intend to demonstrate our opposition to every single appropriation. In the case of individual items we shall generally abstain from voting, but in the final vote we shall vote against the budget as a whole. Having said that, I should like to explain why we intend to vote against the budget as a whole. Because we do, of course, recognize that the budgetary provisions in the Treaties have given this House certain powers in regard to the non-compulsory expenditure, within a certain maximum rate of increase. We do not wish to dispute the legal basis of these powers, since they exist by virtue of Community law. But let me tell you that in Denmark we also have another law which takes precedence over Community law and that is the basic law of Denmark. In that basic law it is laid down that no expenditure can be implemented before special legislation has been adopted and this legislation must be adopted in the Danish Parliament, the *Folketing*, after being thoroughly examined in three readings. The three readings in the *Folketing* are intended to enable the Danish citizens to know what their money is being used for. There is an interval between each reading, so that people can make their views known — this is what democracy is all about. This paragraph in our constitution is not directly affected by Denmark's accession to the Community and it is not directly affected by Denmark's ratification of the second budget treaty of 1975, but in practice it most certainly is.

In view of this, we must insist that according to the law it is the Danish *Folketing* that must approve any expenditure by the European Community, despite the fact that the money for this expenditure is called 'own resources'. This money that I pay in the form of VAT — I have never, as a voter, at any time, given the Community permission to use it. This is why we are voting against the budget as a whole.

Bonde

We can also promise this Parliament that we shall be watching very closely wherever any attempt is made to extend Parliament's powers at the Council's expense. We are the Council of Ministers' spies in the Parliament's Committee on Budgets. In the Council of Ministers each of the Member States has the right of veto under the Luxembourg compromise. Even though in practice one uses one's votes in discussions on the budget, it is the view of the Danish Government — at least, of an individual Danish Minister — that the right of veto also applies to budgetary matters, that is to say that, if the Council has the last word, then in theory it is the Danish Folketing and, in principle at any rate, too, the Danish people that has the last word. But here in this Parliament we have no right of veto which means that, whenever powers are transferred from the Council of Ministers to Parliament, the Danish people and the Danish *Folketing* lose part of their autonomy — they lose the chance to say 'No'.

The *Folkebevægelse* intends to defend Danish autonomy whenever a majority in this House, possibly in alliance with the supranational Commission, wins control over amounts in the budget where it was formerly the Council of Ministers that had the last say. We shall opt out whenever there is any attempt to turn compulsory expenditure into non-compulsory expenditure. We shall opt out, whenever this Parliament introduces items in the budget in the absence of legislation by the Council on the matter. We shall opt out whenever this Parliament tries to get the Commission to spend money without valid Council legislation. Even in less important matters such as those we discussed the other day in the Committee on Budgets, where it is simply a question of transferring appropriations from one chapter to another, but where these transfers involve changing compulsory expenditure into non-compulsory expenditure, there, too, you can count us out. We shall opt out, but in a proper way, without sabotaging the proceedings of the House, because we have been sent down here to say that most Danes consider that decisions affecting Danes should be taken by Danes in Denmark and not by some foreign parliament.

President. — I call Mr Paisley.

Mr Paisley. — Mr President, as a Member of the United Kingdom Parliament, I have heard both from treasury spokesmen representing the Labour Government when it was in office, and representing the present Conservative administration, that the taxpayers of the United Kingdom will be contributing financially to the EEC a thousand million more pounds than they will receive back in any form or grant. Because of that the representatives, both those in the British Parliament and those of us who repre-

sent the United Kingdom here, have a very serious responsibility to see exactly how the money that is given by the taxpayers of the United Kingdom is spent, especially as the largest part of the United Kingdom contribution is not going to be for anything of benefit to the United Kingdom.

I, of course, was elected as an anti-common marketeer, and I headed the poll in my country. I am especially concerned about the fact that the United Kingdom should lose one thousand million pounds which, in my opinion, could be given to help the flagging economy of our own country. Looking at it in that light, I would say it is very regrettable that the budget proposals should cut back in those fields in which parts of the United Kingdom could at least gain some benefit from the net contribution. I refer, of course, first of all, to the Regional Fund. Northern Ireland can only expect EEC help from this particular fund, and this fund is now going to have a serious cutback. The people of Northern Ireland are not going to receive benefits that other sections of the Community have received in the past, because of the slashing of this particular fund. I might say that this is not only a problem for Northern Ireland; it also is a problem for the Irish Republic as well. There is no doubt that there is grave resentment at the proposal from the Council to cut back, and no doubt the Minister who is from the Irish Republic knows the feeling of his own people in regard to this matter.

We have the matter of the common agricultural policy, but could I say to the House today that the working farmer in Northern Ireland is not benefiting from the common agricultural policy. There needs to be a serious review of the large section of the budget devoted to the common agricultural policy.

I would like to end the few minutes that have been given to me in this debate by calling the attention of the House to the serious position of the textile industry, especially in Northern Ireland, and to the fact that funds available to help that industry are now not going to be available in the cutbacks that are proposed. A very large section of the textile industry of the United Kingdom is in Northern Ireland: Courtaulds and ICI are both cutting down. I just heard today that 400 workers will be cut off in the ICI firm in Northern Ireland. This is because of the influx of polyester from the United States of America. I would think that this Assembly would do well to raise a tariff wall against those imports so that we could safeguard our own textile industry.

President. — I call Mr Delors.

Mr Delors. — (F) Mr President discussing the European budget is obviously not the same as discussing a national budget. A national budget represents from 20 % to 30 % of the gross national product and forms a sort of central and indispensable base providing for the implementation of economic policy objectives and the achievement of a balance overall. A European budget which does not even amount to 1 % of the national product is a different matter altogether.

I cannot begin my speech without expressing the profound disquiet with which the Socialist Group views the deterioration in the Community's economic prospects. There is, of course, the oil tax but the oil tax does not explain everything and the measures adopted could have been adopted in a different way. Every country is trying to cut down its imports and, in so doing, cutting down the exports of other countries and, in consequence, their growth. Every country is hell bent on an escalation of interest rates, which discourages investment and development. Is there no other way?

I know, of course, that, each in its own way, every country must do its national best to get into what is called the upward spiral but I am afraid that the creation of these spirals will get us into the vicious circle of recession and increased unemployment. Are there no other solutions? As Socialists our answer is that we should think back a little and once more bring into play the mechanism of Community loans, which once helped to meet the budgetary deficit and correct the adverse balance of payments in certain countries. Why do we not float Community loans? This would have the double advantage of, on one hand, restoring the temporary deficit in the balance of payments and, on the other, providing funds for the famous energy programme, which I find as elusive as the Maid of Arles.

I can refer to this disquiet because, as some of my colleagues reminded us, Parliament has always insisted that, when the budget is placed before the House, the opportunity should be seized to place before it all the ways and means available to the Community, including loans and the operations of the European Investment Bank. Now, as a newcomer to the European Parliament, I hope I may take a couple of quick liberties and express two personal views. From what I have heard of the budget, it embodies two attitudes which I fail to understand.

The first is what I would call the institutional approach, the jealous concern of the various institutions to leave their imprint on a decision. To be frank, if the budget presented by the Council were a good one, I should not feel jealous and would leave it at that. Unfortunately, it is a bad one.

The second attitude which, after hearing Mr Tugendhat on two occasions, in July and September, is what I would call the half-nelson. What does he

say? It is this: either you reduce agricultural policy expenditure or you give up your industrial and energy policy initiatives and the development of Social and Regional policies. I cannot accept what I can only call blackmail, if that is not too strong a term. The debate is open. Why not increase the Community's own resources? However, if we are really looking for an alternative, here is one: forecasting developments. This is done; governing means anticipating. Because of this, the Socialist Group suggests that the annual budget should look three or five years ahead so that the necessary decisions can be taken coolly and without haste and, in choosing between the alternatives available, with greater knowledge of the facts.

It is often said that time is the enemy of play-boys and pretty women. But time is the friend and ally of reformers and, given time, the Member States will find a reasonable compromise and we shall be able to introduce some solid reforms instead of condemning the CAP out of hand. We accordingly propose that the Commission should study the possibility of a three-year forecast which would enable us to take decisions with fuller knowledge of the facts. And since the CAP is the condition precedent, I shall have to refer to it at the risk of boring a House already tired of hearing about it. Even if I could, I shall not hide the fact that it has been the subject of considerable debate in the Socialist Group. How could it be otherwise when we represent the nine countries of the Community, each with its separate interests? After all, all we are doing is to oppose something which is opposed at the Council of Ministers. But we have cleared the bench in readiness and we shall succeed. Our international motivation, our sense of solidarity and our desire for the common good will enable us to reach an agreement. The French Socialists are ready for it, for they have never regarded the common agricultural policy as some sort of sacred cow. They leave others to display their love of dramatic speeches. We ourselves are not happy about all aspects of the CAP. Yesterday, Maurice Faure expressed regret that a dispute threatened the delicate balance which exists between French and British interests on the subject of lamb. Tomorrow we shall be criticizing the lopsidedness of the policy because of the contrast between the market organization for cereals and the absence of a master-plan for the production of wine, fruit and vegetables at a time when the Community's imminent enlargement requires us to give priority to the organization and control of fruit, vegetable and wine production.

While we are on the subject of the CAP, I should like to mention three considerations that need to be taken into account in any review which embraces both the national policies and the CAP. Obviously, the latter cannot be looked at in isolation since every country and every national budget devotes a considerable part of its funds to agriculture. The question must be

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looked at as a whole but I only want to deal with three points in this debate.

In the first place, are we going to allow the United States to be the chief source of food? Of course not. Our country has the capacity to produce food for a world where famine is widespread and we are not going to deprive ourselves of that capacity! How can those people who hurl reckless charges against the common agricultural policy in the same breath say they want an independent Community when, tomorrow, the Community may, as far as food is concerned, be non-existent compared with the United States? It costs money of course but, tell me, when did we ever safeguard the future without some sacrifice in the present?

Secondly, while there are six million unemployed in the Community, there is plenty of employment in agriculture and nothing must be done to upset that. I know that my own country is in a special position but I should like to remind you that, in France, 20 % of the working population is directly or indirectly involved in agriculture.

The third point is that, if there is to be some streamlining of the options open in the case of the CAP, we shall have to proceed with care. Let us think of its actual effect on the incomes of those concerned. If there were a nice White Paper on the subject, you would be surprised to learn that there are enormous disparities in the treatment which farmers receive. And, if solidarity is to be the order of the day, let us start with the big fellows. Those are three ways in which we can approach the subject.

And now, since governing means choosing, I come to what should, in our view, be the three priorities in this budget: energy, industrial co-operation and employment. We do not count on co-operation as a great step forward and the cure for everything but it is an indispensable condition for the effective application of national policies, on which everything depends and will continue to depend. Unlike certain people, we are not against Europe and the nation. In these times of challenge, each is essential to the other.

I shall deal very briefly with energy because an oral question without debate yesterday produced some useful information, especially about coal production. We plead for the immediate restoration of the appropriations allocated for the development of coal mining in the Community as part of a plan to economize on oil. As there are differences of opinion in the Council it will be Parliament's privilege to make the Council rise above selfish, national considerations and agree on a common energy policy or, at least, the beginnings of one.

Second comes industrial co-operation. Here again we have the deepest misgivings as we see the Council and the Commission passing the buck to each other. If the

Council wants to enter an appropriation, the Commission is still considering the matter and, when the Commission is ready to report, the appropriation has disappeared. Like the infantry, the Commission arrives when the battle is over. I don't know the details; how could anyone know them in this technocratic and institutional maze? The solution, I suggest, is that the Economic and Monetary Committee, to whom I shall make the proposal, should look at Article 375 of the budget and make good use of it. This means that, subject, of course, to supervision by Council and Parliament, the Commission would be in a position to have its answer ready in time whenever a question arises affecting every country. I see no other way of escaping from a predicament where, to our dismay, we see appropriations cancelled after Parliament has fought fiercely for their inclusion.

The third factor is employment. I shall not go over the ground covered by my colleague Mr O'Leary on the subject of the Regional and Social policies. The argument about the figures is of less concern to me than the need to put the resources to good use and the fact that the arrangements for supplementing action by the various States do not, in my view, have the required effect. On employment, I will confine myself to three points.

The first is to ask why the Social Fund cannot itself undertake some experiments, which would cost little but would enable a solution to be found for the formidable effects on the quality of labour caused by unemployment and the gap between demand and supply. If these experiments were a success, they could be publicised throughout the Community and might be a political and intellectual milestone in the handling of these problems.

The second consideration, which takes me away from the budget, but not far, is our misgivings about the preparations for the Tripartite Conference. Last year it was a total failure. We earnestly hope that this year's Tripartite Conference will be an open and uninhibited forum for discussion, based on the realities of the economic situation, and on the division of labour, by which I mean the solidarity in Europe between those who have jobs and those who have not, and, among the latter, especially the young. We must concentrate on this, although we have no magic formula and we realize that the length of the working day varies from country to country. We realize that labour costs vary, too, but wouldn't it be possible to produce a tripartite agreement or a directive which, in each country and industry, in the light of the local situation, eventually resulted in a planned reduction of working hours and a corresponding increase in the number of new jobs? If we don't do that, why are we here?

The third point (and this brings me back to the budget) is that the Socialist Group does not accept the cut-back of the 100 million ECU proposed by the

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Commission to finance the social side of the steel re-structurization.

(Applause)

We cannot accept it for a variety of reasons. But I must go no further in speaking as the representative of my constituents. How is it possible to confine the action to be taken by the Community to the industrial and economic aspects alone? How can the European Community have any meaning for the young or any impact on them if the social issues are not taken equally seriously? I know, of course, why some Governments are against it. One of them is allergic to the creation of a fifth shift. Another considers that the working day is short enough already. Another again is for leaving things to be settled by negotiation. I think it is deplorable that the budget gives no indication of the Community's inexhaustible potential. We want the social needs to stop being the Salvation Army of the economy; in other words, the dirty work must not be left to the Community while the States keep the congenial jobs, if any, for themselves. This is why the Socialist Group demands the restoration of the 100 million EUA.

In making my contribution to this debate I have tried to do so as a European, without forgetting my own country. I wish I could go on and repeat what we all said, what you all said during the election campaign. You have all, or nearly all, said: 'Tell the tens of millions of Europeans for whom Europe is a theory that Europe is facing up to enormous challenges, the challenge of the energy crisis, the challenge of the internationalization of the economy, through its new competitors, and the formidable challenges of science and technology; that we must find common ground to meet these challenges; and that this does not mean doing nothing in our own countries but remembering the importance of Europe'. That is what we told our electors.

As a newcomer here, I hope the squabbles in this House will soon give way to wide-ranging and serious debates. I assure you that the people of Europe will not understand or tolerate the possibility that, in our first important debate, the vote on the budget, we may prove incapable of translating into action our ideas, intentions and promises.

(Applause)

President. — I call Mr Barbi.

Mr Barbi. — *(I)* Mr President, this morning the Commissioner, Mr Tugendhat, voiced the Commission's disagreement with the draft budget presented by the Council. The general reaction has been one of agreement with him, in which I certainly join; at the same time, I should like to introduce a different note

and I hope Mr Tugendhat will not mind my pointing out that the Council's decisions were caused by what I consider to have been an error on the part of the Commission. We had scarcely been elected as members of this Parliament this summer before being confronted with two documents simultaneously:

the budget proposed by the Commission, offering two alternatives, one substantially dependent on the introduction of the co-responsibility levy on milk and the other without the levy; and

the rectifying letter in which the Commission notes the choice made by the Council of Ministers, abandons the first alternative and, without batting an eyelid, adopts the second.

The difference between them is not negligible but a matter of a thousand million EUA.

As a member of this House, I can only describe the Commission's action as deplorable, in the first place because it upsets the subtle and delicate balance between the European institutions. In offering alternatives, the Commission did not take a decision or propose a policy although this was on a matter very much within its competence, namely, the preparation of the Community budget. The Commission burked the political judgment on which Parliament has the right and duty to base its opinions and made it difficult for Parliament to perform its role as an arm of the budgetary authority.

The second reason why the Commission deserves censure is that, in offering two alternatives, it virtually surrendered the power of initiative conferred on it by the Treaty and, in consequence, the innovative and executive function which is subject to the political guidance and practical supervision provided by this Parliament. The Council ought not to be placed in the comfortable position of choosing between two alternatives but, on the basis of the alternative chosen by the Commission, should be compelled to consider and either reject or amend a specific economic policy or budget proposal.

I imagine that this Parliament has no intention of allowing the Commission to be gradually and discreetly turned into a sort of Secretariat of the Council. That is certainly not the role vested in it under the Treaty. Yesterday, Commissioner Davignon pronounced a solemn and emphatic '*jamais*' on such a possibility but, in acting as it did, the Commission justifies our saying — my French is not so good — '*déjà*' or '*désormais*' rather than '*jamais*'.

There is a further ground for criticism which may appear rather technical but is in fact of great practical importance. The draft budget prepared by the Commission includes an estimate of 93 million EUA for the 'co-responsibility levy', under Article 628 in

Barbi

Chapter 62 of Title 6, in the somewhat unusual form of 'negative expenditure'. In my view, the co-responsibility levy should appear among own resources in Chapter 11 of Title 1, because that is what it is. The Commission (and, accordingly, the Council) cannot, without the consent of Parliament, be allowed to decide unilaterally to introduce a tax which should yield a revenue in excess of 900 million EUA in the 1980 financial year. Under the draft budget before us the levy would have to be introduced by a regulation of the Council and the appropriate rate fixed by it each year as part of the decisions connected with the annual fixing of agricultural prices. But it seems to me to be impossible, especially in political terms, to accept that a tax of such magnitude should be introduced without democratic authorization either at national or Community level. It is also unacceptable from an accounting point of view, since it requires a clever use of the pen to enter the revenue from this tax as a negative appropriation in the expenditure section of the budget when, correctly speaking, it is an 'own resource' which, obviously, should appear as an item of revenue. I propose to able an amendment to that effect.

I think many, probably most, of us are in favour of introducing a device such as the co-responsibility levy or something like it which would restrain over-production of milk and reduce the enormous expenditure on guaranteeing the price of that product. I do not think, however, that in the long term it will be capable of providing the Community with *all* the own resources in sufficient quantity to develop a Community policy either in agriculture or in other equally important sectors which can be treated only on a Community basis. I refer to scientific research, energy, regional equilibrium and the action required to put the economies of the less well-off countries in a position to face up to the discipline of the European monetary system; I also refer to development and so on. Reducing or merely containing at its present level the expenditure on guaranteeing agricultural prices will not be enough to correct the lopsidedness of this budget and so satisfy the objections of so many speakers, including some this evening.

This makes it essential to raise the percentage of resources derived from VAT not by increasing the burden of taxation on our European fellow-citizens but by transferring certain expenditure, together with the corresponding revenue, from the national to the Community level, because it is only at the latter level that the expenditure can be put to the most satisfactory and effective use. At the same time, however, appropriate levies designed to rationalize production and prevent it from being distorted or misdirected by influences hostile to a balanced economy. But this can only be done with the substantial consent of this Parliament. These remarks and criticisms have been addressed to the Commission rather than the Council (or only indirectly to the Council) because I believe it to be Parliament's specific duty to prod and encourage

the Commission to take firm political decisions and to make economic policy proposals which are constructive and clear-cut and so compel the Council either to accept them or openly oppose them. The balance between the institutions of the Community is compromised by hesitant or submissive attitudes. I am sure we all agree that the balance must be maintained unchanged.

(Applause)

President. — Before I call the next speaker I would draw your attention to a difficulty. After discussions with the staff last night, the President obtained agreement for a late session last evening on the firm understanding that this session would finish promptly at 8 p.m. I have consulted with the President and the position still is that the debate will finish promptly at 8 p.m. The Council and the Commission have very kindly agreed to take a very short period of time, at the end of a very long debate, to answer the questions, and I am very grateful to them for helping me out in this matter. Nonetheless this still means that we shall have to finish the general debate at about 7:40 p.m. One of the pleasing things at the moment is the fact that the groups that have already spoken have not used all the time allocated to them. I now appeal to those groups which have not spoken to try to be as concise as possible. Quite obviously for the small groups that only in fact have perhaps only 4 to 6 minutes left, this is going to be very difficult. However I am going to appeal to all speakers to be as concise as possible and to follow the example of the two groups that have already spoken and have not used all the time allocated to them. I have to close the debate at 7:40 p.m., so it is up to you.

Do you wish to speak, Mr Taylor?

Mr John M. Taylor. — Could I help you with a brief intervention on behalf of the European Democratic Group? We have 35 minutes allocated to us and we have tried to portion out our time amongst ourselves so that we will not exceed that time. I believe that within our group we are running to time, so do not be too concerned if there is a large number of speakers from our group, they intend to speak very briefly, as is sometimes our British custom.

President. — In answer to you, Mr Taylor, this might well be the case anyhow because by the logic of the situation the last three speakers from your group come towards the end of the speaking list anyhow, so it may be up to you!

I do not want to waste any more valuable time except to ask speakers to be as concise as possible. We are going to proceed, and I am sure you will help me as well.

I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Mr President, I could hardly believe my ears when I heard that the Council had cut down the Commission's proposal for the endowment of the Regional Fund in 1980 from 1 200 million units of account to 850 million, 95 million below last year's final figure, which was itself 165 million units below the figure originally agreed by Parliament and not disputed by Council for 1979. Even to maintain the buying powers of the 1979 endowment would require 1 600 million units and we are offered 850 million, a sum originally proposed by the Commission for 1976. In other words, at today's values we are cut down to 2/3rds of the 1976 target.

One of the objectives of the Treaty of Rome is to moderate the glaring discrepancies which exist between the different regions of the Community, yet the gap, far from diminishing, has increased from 5 to 1 to 6 to 1, and when Portugal joins it will be 12 to 1. The Community instrument devised in coordination with other Community policies to narrow this gap is the Regional Development Fund of which 76 % goes to the three least prosperous regions. When the Fund started in 1975 it was envisaged that after a running-in period it would be increased steadily in order to make an impact on the growing structural difficulties and increasing unemployment of the regions. Indeed three years ago in their triannual financial estimates for 1977-79 the Commission proposed 1 200 million units of account for 1979, which indexed for inflation would be nearly 1 600 million, and, of course, the amount fixed by Parliament and not disagreed by the Council for 1979 was 1 100 million units. In these circumstances it is totally unacceptable that the Regional Fund should have been cut to 850 million.

I was last night appointed draftsman of the Regional Committee's opinion on the budget, and judging by the reactions of that committee they will be determined to restore the 1 200 million units originally proposed by the Commission. In this I believe they will be supported by the whole Parliament, which last year approved an endowment of 1 100. Parliament can hardly want to see the Regional Fund put into reverse.

However astounding I found the Council's draft budget when I heard it, I find it even more inexplicable in the light of the speech made today by the President-in-Office. He observed correctly that inflation is moving up, yet instead of making allowances for this in the Regional Fund, his Council cut it savagely. He gave as one of his reasons for cutting the Commission's budget the fact that a significant part of the expenditure proposed by the Commission was in respect of actions on which no decisions had been taken. This certainly does not apply to the Regional Fund where commitments, except in the non-quota section where the Council is the stumbling block, have always been taken up.

Here I must differ from Mr Dankert in his attack on the Commission. In this budget at this stage it is our

ally. The Commission sought in the preliminary draft budget to get a better balance within Community expenditure, but it cannot enforce this, it can only propose. At the end of the day it is the budgetary authority, Parliament and the Council, which makes the decisions, and whether it agrees with them or not, the Commission simply writes the cheques. As Commissioner Tugendhat pointed out, the Commission genuinely believes that it was working in accordance with the priorities set both by Parliament and the Council. The only problem is that this year, as last, the Council failed to live up to its own expressed intentions to assist in reducing unemployment, to help in restructuring industry, to get greater convergence between the economies of the Member States and to reduce regional disparities.

I was amazed beyond words at the effrontery of the President-in-Office when referring to the miserable endowment he proposed for the Regional Fund. He said that this year's figure of 850 million was the right figure and that the Council could have chosen to stick to the original figure of 650 million units of account arrived at in Copenhagen. But has this President-in-Office not heard of the decisions of Bremen and Bonn? Does he not know that the Council has expressly stated that regional disparities must be overcome? And having said that, can the Council seriously suggest that the amount allocated to the Regional Fund should be in real terms roughly half of what was proposed for 1976? The President-in-Office admitted that, in his own words, 'the correction of regional disparities required an effort', but what sort of an effort has he and his Council made? The plain fact is, Mr President, that the Council is greedy; it gobbles up its gigantic share of the budget and then seeks to devour our meagre crusts of non-compulsory expenditure.

Mr Tugendhat was quite right to ask the Minister if the Council believes that an increase of a billion units of account in agricultural expenditure and a cut of a similar amount in other areas is really in the interests of the Community and its cohesion. I believe this Parliament will give the Council a unanimous and deafening 'no'.

(Applause)

President. — I call Mr Baillot.

Mr Baillot. — *(F)* Mr President, although the House is a new one, the lines of the 1980 budget are not. The draft placed before us follows the general lines adopted in previous years.

In particular, it provides for the additional step of adapting agriculture to the requirements of the big trusts, which means the extermination of tens of thousands of farms.

Baillor

It also means making it possible for the multinationals, who have already acquired strength and support in our countries, to re-deploy with the aid of Community funds.

This debate has brought out the differences between the Council and the Commission but these differences are relatively unimportant. They do not call into question the basic political ideas of either. They merely indicate how difficult it is, for the Council as well as the Commission, to prepare a budget against the background of the crisis which has given such a jolt to the capitalist economy and, above all, how difficult it is to help the people of our respective countries to cope with its effects. It is doubtless because the Council is more conscious of what the people in our countries think and want that the draft which it has submitted to us does not go so far as the preliminary draft prepared by the Commission.

The Ministers of Agriculture must also have taken due note of the determined struggle embarked upon, especially in my own country, by those who live on the land to obtain a fair return for their work and the right, which ought to be taken for granted, to go on earning their living. But, although the draft doesn't go so far as the preliminary draft, it goes in the same direction.

What determined the pattern of the budget was the reorganization of agriculture and of industry which the Commission has been blue-printing from the Mansholt plan to that of Mr Davignon. Another name for this re-organization is the destruction of farms and the closing of factories, which endanger the survival of whole sections of our industry. Whole regions are destroyed, as in the cases of Lorraine and the North of France. There is a growing disparity between countries in favour of the strongest, especially the Federal Republic of Germany, whose position has been further improved by the re-valuation of the Deutschmark. These disparities explain the difficulty being experienced in bringing into being the European currency unit which we hear so much about.

Some say that we must reduce the appropriations for the common agricultural policy and transfer them to the Regional Fund and the Social Fund. But who can support a policy of making some people happy at the expense of others? Certainly not this Group. The truth is that the large-scale re-organization which Brussels is pressing for with such zeal demands new resources and requires to be financed at EEC level as well as national level. This is the claim put forward by the steel trusts, who insist that they should not pay a penny for the tens of thousands they have sacked. It was, of course, the reason why the Commission had proposed transferring funds from the EEC budget to the ESCS budget.

We are firmly opposed in this House to anything which makes it possible to scrap plant and make

people despair. That is our mandate. We are in particular opposed to any new Community tax, whatever its form, which would add to the burden of direct and indirect taxation, local and national, which for the great majority of workers is already intolerable. In France, the latest measures adopted by Mr Barre have cost every French household 200 francs a month.

Let no one complain about the financing of the CAP: if this policy really is a common one, it is only common sense for each country to go to the Community market first for its supplies. This is not what happens and is one of the reasons for the surpluses which affect the agricultural budget. The consumption of food products increasingly reflects the austerity policies orchestrated in Brussels and embodied in the budget. I note that these people who want to help big business to re-organize also want to see an extension of Parliament's budgetary powers in the hope that, under cover of democratic procedure, they can encourage the introduction of a policy which is against the interests of the workers, both in town and country.

On behalf of the French Communists, I should like to make it clear that we are resolutely opposed to any diminution of the sovereignty of our national Parliament and to any transfer of jurisdiction to the EEC which would not be in the interests of France and this includes budgetary matters. These are the general lines of policy which we shall develop during the budgetary procedure in November.

President. — I call Mrs Scrivener.

Mrs Scrivener. — (*F*) Mr President, ladies and gentlemen, my colleague, Mr Rossi, spoke on behalf of the Liberal and Democratic Group about the institutional questions raised by draft budget for 1980 as presented to us by the Council. I shall now talk about the sectorial aspects. I wish to stress most strongly the most serious problem facing the Community at the present time: unemployment.

For, after all, what's the use of juggling with figures if, in the last analysis, we are not able to find remedies at European level for the scourge of unemployment, from which young people are the first to suffer. The level of unemployment shows how far the Community has deviated from the ideals which inspired the foundation of the European Communities. In order to overcome this difficult situation, which raises both economic and social problems, an appropriate share of Community resources must be set aside for a certain number of policies which hitherto have all too often been the Cinderellas of Europe, but which directly affect all the citizens of the Community. I am thinking in particular of the Social Fund, research, industry and energy policies and of the Regional Fund; in other words, the Liberal and Democratic Group has taken employment as its priority.

Scrivener

The aim of this budget must be to allow a greater transfer to Community level of the financing and administration of sectors of activity which could with advantage be handled at European level, in addition, of course, to what is already being done at national level. With this in mind, we shall propose amendments to the draft budget which will show that we are not willing to indulge in a mere accounting exercise. On the contrary, we shall show our determination to consider the contributions the budget can make to solve the problem of unemployment and the new tasks that could be assigned to it for this purpose.

The Social Fund could be an effective instrument if it had a bigger endowment. We know that the Commission had proposed a billion units of account, earmarked for aid for the employment of young people, aid for the geographical mobility of workers and measures in favour of migrant workers. The Council has decided on a reduction of over 170 million units of account. But what seems to me even more regrettable is the rate at which appropriations earmarked for this Fund are paid out. For example, how can we accept that only 49 % of the appropriations for 1978 were used? And faced with the modern scourge of unemployment, how can we explain to our electors that only administrative procedures are involved? As political leaders, we must immediately, on the Committee on Budgets, set about finding remedies for this European sickness.

Within the framework of the Social Fund, we wish to launch the idea of a pact for the employment of young people to allow those in their first job to travel to other countries of the Community, thereby enabling them to discover other techniques and other outlooks and could help them find a job in their own country. Finally, we could in this way create a European consciousness, even a European identity, something which is sadly lacking at the present time.

I now turn to the question of energy and research. We all know that Europe faces the prospect of an energy shortage and higher and higher prices. The most important action that must be taken is, of course, to conserve energy. To be sure, with a figure of 25 million units of account included in the draft budget for this purpose we must not expect spectacular results in the short term. However, we must prepare today for the year 2000. The consumers must become conscious of the problem but it is the governments and the Community who must take the measures needed to make the public aware of what is at stake. It is not enough to ask consumers to change their ways, we must encourage them to do so.

The Community has already made proposals along these lines like, for example, the modernization of existing buildings. But it will have to make many more, calling for large investments. Energy savings will make it possible to develop new industries and services. The necessary outlay can be recovered in the form of new jobs.

Alternative energy resources also merit our close attention, even though they will only supply 5 % of our total energy requirements in the year 2000. We note that the Council has reduced by half the appropriations proposed for this purpose by the Commission, although these energies will be necessary if we are to diversify our source of supply.

As regards research costs, we know very well that they are often too high to be borne by a single State. This is where the Community finds its true vocation — that of enabling large scale projects to be maintained. Once again, we note the inadequacy of the appropriations earmarked for this purpose.

I shall say very little about the Regional Fund since Mr Cerovini will be speaking about it later. I shall simply stress the important role it can play in the fight against unemployment, provided two conditions are met. Firstly, it must be endowed with adequate funds and secondly, it appears necessary to increase its effectiveness, which leaves a lot to be desired as regards the rate of payment. We attach particular importance to the chapter on development aid. The Council has practically eliminated all the increases for 1980 over 1979 proposed by the Commission both for aid in the form of cereals, butter, oil and sugar and for financial assistance to non-associated developing countries.

Once again, we cannot vote for this part of the budget. We stress the need for a programme for the transfer of technology to enable the Community to help increase the productivity of local techniques and the production of foodstuffs.

Mr President, ladies and gentlemen, these are the priorities of the Liberal and Democratic Group. I shall conclude by renewing, at the beginning of the life of this Parliament, my appeal for the Community budget to be first and foremost an instrument of the employment policy. During the election campaign, we stressed the concept of a Europe of the people. We are committed to making these aspirations come true. Let us be aware that it would be incomprehensible to the citizens of the Member States that we as elected European MPs were incapable of tackling their real problems. This would call into question the very credibility of this Assembly.

(Applause)

President. — I call Mrs Castellina.

Mrs Castellina. — *(I)* Mr President, unfortunately the connections between Strasbourg and many of our constituencies are few and far between and Neil Blaney, an Irish member of my Group, had to fly to Dublin this evening as there was no room for him on tomorrow's plane. The fact that this date has fallen behind schedule made it impossible for him to be here when he was called and he gave me a summary of what he had intended to say. I willingly agreed to read it and, although some may object on principle, it is a course of action which makes it easier to perform

Castellina

a task which is often beset with difficulties. The speech which follows is made on behalf of Neil Blaney, a member for Ireland.

The Council of Ministers has fixed the Regional Fund at £ 571 million sterling, which is a reduction of one-third in the figure proposed by the Commission for this phantom Fund. I cannot understand the mentality behind the Ministers' action. We are not talking about prices or products, the subjects which seem to take up so much of the Council's time, but about human beings and their hopes and aspirations. We are talking about a part of the machinery of this Community on which the people in its poorest regions have been encouraged to base their hopes and on which so many expectations have been built. We are talking about Calabria, the Scottish isles, my own constituency in the West and North-West of Ireland, areas where income per head is one-sixth of that of a citizen of Hamburg.

Six years ago, the inhabitants of my constituency voted 84% in favour of entry into the Common Market. They were told, by Brussels, by Luxembourg and by Strasbourg, that the basic aim of the Community was to remove the disparity between the poorer regions and the richer regions of the Community. At that time the difference between the standard of living in my constituency and in Hamburg was in the ratio of 1 to 4; it is now 1 to 6.

If this trend is not brought to a halt, the Common Market will break up. It is a trend which this Parliament must stop if we want to justify our presence in this House in the eyes of those who sent us here.

We in this Parliament have the power to amend the Community budget, to refer it back to the Council and to make it clear to the Commission that, at the Summit to be held in Dublin in November, it must submit a proposal drastically increasing the Regional Fund in order that those who live in the less favoured regions can begin looking forward to an improvement in their living standards. I believe every one in this House will agree with me on one point: either we make the Community work or it will have outlived its usefulness.

President. — I call Mr Petronio.

Mr Petronio. — (I) Mr President, the preliminary draft budget, presented and explained to us this morning, reveals that, as Mr Tugendhat's welcome contribution confirmed, there is a fundamental difference, almost an ideological conflict, of view between Parliament and the Commission, on one hand, and the Council of Ministers on the other. The objectives of this Parliament, which has always championed and looked forward to an enlightened social and development policy, have in fact been virtually repudiated by the Council of Ministers but the Council does not

dare raise objections of principle and prefers to axe the financial 'items' which are necessary to put our political ideas into effect. The budget takes a tradesman's view of the Community's problems, a view which is in sharp contrast with the ideals which inspired the direct election of the European Parliament by universal suffrage. The music and choreography of the campaign for the European election should have been followed up by the immediate introduction of new resources and provisions for action. However, as Mr Tugendhat so rightly said, we can, during the various stages of the long, arduous and new budgetary procedure, correct the pattern of the budget. If we do this, we shall achieve our political objectives despite the vagaries of the Council and ensure that action corresponds with words.

What is so striking is the huge mathematical disproportion between compulsory expenditure and non-compulsory expenditure, in particular between agricultural expenditure and expenditure for the Social Fund.

The most typical feature, which is almost a microcosm of the situation and proclaims to the world that there has been a retreat from our vaunted priorities, is the cavalier withdrawal of the 1 000 million or so EUA of non-compulsory expenditure and its transfer to the agricultural sector.

Thus, another shadow falls across our desire, fast becoming a mere hope, to use the Regional Fund to reduce the abominable and humiliating disparity between the rich and poor areas. On the problem of unemployment, a source of constant and growing concern, there is more talk than action. Moreover, without research, without dedicated minds, without plans, without an alternative fuel, without earnest efforts to discover and harness new sources of energy, development will be held up by the shortage of oil, by the inflation which, as Mr Davignon confirmed, will be its consequence and by the argument between nuclear energy and coal.

Meanwhile, the 1 000 million or more which is to be handed over to agriculture is all going to be spent on keeping up the surpluses in milk and dairy products and in sugar because, instead of encouraging the internal market and promoting consumption in the High Street, the Council adopts the theory and practice of the destruction of assets and actually subsidizes exports to countries which then re-export them 'on spec' and make a profit, as Russia may be doing to the rest of the Comecon. In the words of John Kenneth Galbraith, we are advancing neither towards an economy of wealth nor, even less, an economy of well-being. We continue to look at things with the eyes of tradesmen and we are abandoning the struggle for our social ideals as though they were unattainable. On the other hand, I derive some comfort from the fact that the Commission expressed the clear view ...

President. — I am sorry Mr Petronio, you have exceeded the time allocated to your group.

I call Mr Langes.

Mr Langes. — (D) Mr President, ladies and gentlemen, when I was elected to the European Parliament, I knew that it was a unique parliament; but I only really found out today in the budget debate, which I thought was the most important debate, what a peculiar parliament this is, for we are holding a debate — and I must say this, Mr President-in-Office — without Parliament having received a draft from the Council. I don't know how you do this as Finance Minister in Ireland or how the other Finance Ministers do this in their parliaments, but I cannot imagine a parliament discussing a budget which has not been put before it in the form of a document.

(Applause)

I must say that I have great respect for the Council; but, as a newly-elected Member, I also expect the Council, as joint budgetary authority with us, to show us some respect. This, ladies and gentlemen, raises the whole question of Parliament's relations with the Council. We have no documents, for obviously the Council was of the opinion that we could obtain our information from the newspapers. We have, however, received a paper from our Finance Minister in the Federal Republic of Germany — albeit without a covering note or signature — which explains why the Finance Minister, a German member of the Council, approved this new budget. I quote from page 3:

... in view of the exceptionally high rate of increase in recent years of social and structural expenditure, feels that stabilization is now called for.

Ladies and gentlemen, if reductions are now called stabilization, then I must say that this is a new word in our political vocabulary and I consider it to be a word which could shatter our cooperation. We must say clearly how we intend to cooperate in drawing up this budget, for it is quite clear that we wish to work together; only we naturally expect the Council to be correspondingly clear in its attitude towards us. Whenever I, as a new Member, look, in the Committee on Budgets, at the individual budget items, the fable of the hare and the hedgehog always comes to mind, for my more experienced colleagues always say to me: 'But this, this is an item of expenditure that has been fixed. Here the Council has clearly laid down that these items of expenditure are compulsory.' In the case of another item, it was said that the Council had not yet decided, and of another item still we are told the national government had no yet developed the programme through the various budget items being deleted. Ladies and gentlemen, I really get the impression that the Council hedgehog, in one role or other, has always got there before us and that we parliamentarians, like the hare, have to rush about in order to find somewhere where we can still do

something useful. I stress that I do not consider this to be the road which we wish to walk along together for Europe.

(Applause)

Ladies and gentlemen, on behalf of my group — the Group of the European People's Party — I should like to stress that we have no intention of accepting the Commission's draft or that which the Council will possibly be submitting to us next. We shall act on the mandate of the electors and draw up this budget. We shall examine the individual items to see whether they correspond to our political goals for Europe. For example, in connection with expenditure on the economy and industry, whatever budget item it comes under, we shall always ask the question: what chance does this give for a free social market economy and how far will it be restricted through programmes to a dirigist system. We shall go through the whole budget item by item in this way.

Mr Dankert, I should rather not leave this question unresolved, since the impression arises that we in the Committee on Budgets whose rapporteur you were, had already found a way out of the desperate situation which we all recognize. I am very much in agreement with your analysis, Mr Dankert. I cannot say that I agree with the alternative you proposed. We shall talk about it. This was not Dankert the rapporteur speaking but Dankert the Socialist MP. This does you credit, but I ask you — for you represent me as a member of the Committee on Budgets — in future to say clearly where your personal opinion begins and where the opinion of the Committee on Budgets stops.

Ladies and gentlemen, I shall now conclude. We shall consider carefully the question we have discussed here and the Group of the European People's Party will not be deterred from going into it in depth within the framework of the Treaties and taking it to the limit. I should like today to say clearly to the Council that we will not cooperate with the Council in the double game it is playing by, as it were, complaining as a national government and, at the same time, as the Council, saying how terrible this all is about agriculture, although it is itself partly to blame. We shall use our powers to the full here. We actually feel already after 3 months that there are certain limits and when these limits are reached, then we must say to the Council that if it undermines Parliament's budgetary rights, their laws, regulations and interpretations, then Parliament must tell itself very clearly that it is involved in the passing of laws and in the issuing of regulations and the Council's fixing of prices. We will have some very hard talking to do to each other along these lines.

President. — It is quite obvious that, even with the extreme cooperation we have had from some of the

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groups, we are not going to be able to hear the remaining speeches in 7 minutes. What I propose to do is to close, as intended, at 7.40 p.m. Tomorrow the speakers on the list who have not spoken will be allowed to do so. I want also to apologize to Mr Petronio for cutting him off in the middle of a sentence; he will also be allowed to complete his statement tomorrow. I call Mr Taylor.

Mr John D. Taylor. — Mr President, the amended budget from the Council is a major setback to European cooperation and a sharing of opportunities and resources. Originally the draft Commission proposals included a European Regional Development Fund of 1,200 million units of account, a Social Fund of 1,000 million units of account, and a Guidance Fund of 590 million units of account. These three elements would have taken up one-fifth of the total budget, and it was therefore the budget which was increasingly significant for regional problems. But now we have the Irish Minister on behalf of the Council recommending major reductions in regional support. For example, the Council is now suggesting an actual reduction in the Regional Fund from 1,044 million units of account last year to a mere 850 million this year.

I speak not only for Northern Ireland, but for all peripheral and poorer regions in this Community when I say that this budget, with its imbalance in favour of the production of surplus milk, is a direct attack upon the objective of reducing differences in standards of living throughout the Community. I am ashamed that it is an Irish Minister who is actually recommending reduced regional support from EEC funds. He is defending the indefensible; clearly his heart was not in it.

This Parliament representing the people of Europe has real budgetary powers. These powers will have to be exercised in the years ahead in such a manner as to bring equity throughout the Community. Any other objective will contribute to the eventual dissolution of this Community. It is necessary for us to quickly search out new resources to finance the budget, and at the same time to exercise our influence to redirect the available funds to more deserving objectives within the Community.

The United Kingdom is one of the Member nations with the lowest GDP per capita. Even worse, from my point of view, is the fact that Northern Ireland's GDP per capita is some 12% lower than the already small level for the UK. Its capital city of Belfast suffers great social and economic decay due to decline in traditional industry such as shipbuilding and textiles, as well as the additional effects of terrorism. I had hoped, Mr President, that membership of this Community would have meant that such areas — not only Belfast but others such as Wallonia, Lorraine, Southern Italy, Brittany — would all have received priority regional aid and support from the proposed draft budget. Now

we are presented with a budget proposal which will instead maximize rather than reduce the difference in standards of living within Member States of this Community. Mr President, this draft budget of the Council is deplorable. This Parliament must enter into negotiations to amend these proposals so that social and regional development are given even greater priority. There are many items in the draft proposal which require amendments. In the longer term this Parliament, exercising its budgetary powers, must be involved in the initial agricultural price agreement, so that no section of the budget is immune from the democratic control of a directly elected Assembly.

(Applause)

President. — I call Mr Tugendhat.

Mr Tugendhat, Member of the Commission — Mr President, in the ten minutes allotted to me I will do my best to try to cover some of the themes which arose during the course of the debate. I hope the House will forgive me if I do not refer to each speaker or to each point.

For me there was one quintessential moment. The epitome of the spirit of this debate was expressed by a former Commissioner, Mr Spinelli, in his speech, when he said that the budget should be the true expression of the European spirit and then described very vividly how far short of that aspiration the budget falls. We agree, I agree. The budget we would like to put forward would indeed be the true expression of the European spirit. We also believe, as Mr Langes said in his extremely powerful speech a few moments ago, that the budget authority is a double-headed eagle, a double-headed eagle like the distinguished eagle of a great empire earlier in this century and before, and that Parliament should have a right to participate in the way in which that spirit evolves.

At the moment, as Mr Ansquer said, the problem with the budget which has emerged from the Council is that it is stagnant. The difficulty is that there has been no priority for new policies. He dwelt on the virtues of the existing policies, but he pointed out that no priorities had been attached to new policies. This was a theme which I think was taken up by every speaker with the exception, not surprisingly perhaps, of the Danish anti-marketeer, Mr Bonde, who expressed his opposition to any increase in the Community budget. Mr Taylor, the first Mr Taylor to speak, emphasized the lopsided nature of the budget, and this was a theme taken up by Mrs Scrivener, Mr Delors, Mr Kellett-Bowman and many others when they talked about the need to develop a social policy, an industrial policy, an energy policy and a regional policy. Everybody emphasized a slightly different point, but the essential thing that emerged from all this was the dissatisfaction of the House with the fact that after so many years of the Community these policies are still

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so microscopic, still so very small, still have such a very modest impact on the problems of our Community.

The Community budget is indeed lopsided, and our intention when we produced our preliminary draft budget was to begin the process of making it more even and more balanced. Here I would like to take up a point made by Mr Delors. There is no blackmail about this. There is no blackmail in saying that you must have less for one thing and more for another. The problem is that we have limited resources; indeed, as Mr Notenboom and Mr Rossi emphasized, our own resources are running out. We have limited resources and therefore if we are to have money for some things, we have to have more restraint in others.

As Mr O'Leary said in his, I thought, extremely powerful intervention, the essential thing is that we should show that in the policies we are carrying out the money is being properly spent. In a powerful defence of the common agricultural policy, as indeed one would expect from someone from the Republic of Ireland, Mr O'Leary pointed out that at the moment the biggest threat to the common agricultural policy comes from some of the wastage and some of the surpluses, and that if the principles of the CAP, which we believe in, which we support, which we believe are as valid now as they were when they were introduced, are to be defended, then it is essential that the money should be properly spent. If it is not properly spent, then the new own resource, which Mr Notenboom and Mr Rossi both asked for and dwelt upon, will be very, very difficult to obtain from the Member States. The Member States on their side of the budgetary authority will certainly argue that if the money is not properly spent now, then we cannot have a new own resource in order to develop other policies. This is why I think we owe it to the taxpayers of the Community and to the people of all our countries to show that in those policies which we have evolved, money is spent in the most sensible, economical and effective way.

Now I would like to turn — I am sorry if I am speaking too fast for the interpreters, but I wish to pack as much into my ten minutes as I can — to some of the points made by Mr Dankert and taken up by other speakers. Both Mr Dankert and Mr O'Leary said that while they attacked the Council, our hands were not clean either and there was an element of complicity.

I would like to make a number of points. The first is that when the Commission is present in the Parliament, the European Council and the Council of Ministers, we speak but we do not vote. It would be very wrong for anybody to suppose that decisions taken in this House or in the Council of Ministers or the European Council are necessarily decisions with which we are agreed. We are often present when things are done

of which we disapprove, and it is very important for that point to be borne very much in mind. Let me give some examples.

Mr Dankert in particular cast doubt on the Commission's willingness to defend the rights of this Parliament in the field of non-obligatory expenditure, and in particular of research appropriations. Now in the financial regulation which the Commission proposed in 1978 for the research programmes, we made it clear that the figures entered for that programme in the relevant regulations should be regarded as purely indicative in character. I emphasize those words: purely indicative in character. The Commission much regrets that this interpretation was not sustained by the Council, despite the support of Parliament, and we did indeed have our views on that matter recorded in the Council's minutes. That is a very good example of an occasion when we were certainly present when something was done with which we disagreed.

The same has been true, to take up a point made by Madam Scrivener, I think, and certainly by Mr Rossi, about the budgetization of the FED. We believe that the FED should be budgetized, and my colleague Claude Cheysson and I have made it quite clear in the Council that that was our belief. Though the Council did not see fit to agree with us, they were under no doubt as to what I meant when I said it.

We also had from Mr Dankert and from Mr Barbi a criticism of the Commission for putting forward a rectifying letter, and it was suggested that the rectifying letter on agricultural prices implied that somehow we were not dissociating ourselves from the Council's decision. Let me reaffirm the position, which was spelled out by my colleague, Mr Gundelach, after the Agriculture Ministers had met. We did not approve of what they did, we did not agree with it, we did dissociate ourselves from it. However, though we are a political body, though we have to make political decisions, we are also the executive arm of the Community. There are a number of things which we have to do if the Community is to continue, and one of the things we are responsible for is the execution of the budget, even when there are things in the budget we do not like. It was in order to ensure that the correct accounting procedures were followed and to ensure that appropriations once established — we may not have liked them, we may not have agreed with the way they were done — by the due processes of law should actually be paid. So I would impress on Mr Dankert and Mr Barbi the point that the production of this technical document in no way implied any diminution of our political feelings.

The same applies in some respects to the point made by Mr Dankert about the distinction between obligatory and non-obligatory expenditure. We do not feel that the present division between obligatory and non-obligatory expenditure is satisfactory, and I am on

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record often enough in this new Parliament, as well as in the old, making that point quite clear. It is important, however to bear in mind that the Treaty provides for both types of expenditure and links these to the rights and duties of the two parts of the budgetary authority. If the Treaty does that, the Commission cannot in all honesty bring forward proposals to overturn what the Treaty has established. We are the guardians of the Treaty, not the destroyers of the Treaty. What we can do is to suggest ways in which the line between the two forms of expenditure can be altered. Indeed the whole emphasis of our preliminary draft budget and of what I have said in this House, and what many other Members have said as well, is that the non-obligatory section should be increased. We want to see the balance between the two altered, but of course the line is enshrined in the Treaty.

On that point too I should like to take up something that Mr Delors said. He seemed to suggest that forecasts would somehow solve the problem. I would point out that we do produce running three-year forecasts, which are sent to the Council and to Parliament in April of each year and were sent this year. If he looks at them he will see there how very closely our priorities are in line with his when we talk about the future of industrial, social and energy policy.

These then are a number of points which arose during the debate and which I have had time to take up. I must, I think, also take up the point raised by Mr Robert Jackson with regard to the Parliament's budget because he asked me a specific question. He asked me whether we would, in fact, be undertaking the study of Parliament's powers over expenditure which was requested by the Council, and I would like to say that the Commission had an opportunity to discuss this matter yesterday and does not feel that it would be appropriate for us to undertake this task. If the Council wishes it to be undertaken, the Council has the resources, which indeed it has added to in the budget, to undertake it for itself.

(Applause)

That is my answer to Mr Jackson.

Finally, just before the gong is struck, Mr President, I would like to apologize to the House for the fact that it will not be possible for me to be here tomorrow, which is why I am grateful for the opportunity to wind up now. I would like to thank all those Members who praised those parts of the Community budget, but I will certainly bear in mind the injunction of Mr Notenboom that this Parliament will not be slaves to the Commission if I had ever thought that. I certainly know now that it is quite impossible and that the eagle that Mr Langes referred to is likely to be in the Parliament rather than in the Council.

(Applause)

President. — I call Mr MacSharry.

Mr MacSharry, President in Office of the Council. — Mr President, Ladies and Gentlemen, first of all I would like to thank the distinguished Members and Commissioner Tugendhat for their contributions. I can say that when I came here today I did not expect many plaudits for the Council from your debate. Certainly I have heard some rather severe criticism of the draft budget. However, I also detected, in a number of speakers' contributions, a realization that more ambitious and indeed very worthy policy objectives have to be tempered by the economic and financial realities of the present time. It is not practical in the short time available to reply to the many specific points raised in the course of this long discussion. I will, of course, be at the disposal of your Budget Committee during the coming weeks to deal with the more detailed questions.

I should like to emphasize again that the decisions taken by the Council when establishing the draft budget were, in a number of instances, arrived at only after long and difficult discussions. It is inevitable that between the two branches of the budgetary authority there should be different emphasis regarding policy and in regard to the funding of these policies. As regards the question of the EAGGF expenditure, I would like to make one main point. EAGGF Guarantee Section expenditure is obligatory by its very nature. Without going into great detail this expenditure has to be met in accordance with the basic regulations. It is not within the budgetary procedure to amend these basic regulations. In this context I can do no better than refer to the Commission's own document, Volume 7A of its explanatory material with the preliminary draft budget, and page 19, paragraph (d), of that volume reads as follows: 'the inevitability of guarantee section expenditure for the budget. The Commission feels compelled once again to stress that the impact of the European Agricultural Guidance and Guarantee Fund, Guarantee Section, expenditure is not governed by the budgetary authorization, that is the budgetary appropriations made available, but by the legislation on which Parliament is consulted on the various common market organizations. The budget is merely the financial reflection of the sum total of all these rules and the economic situation on the agricultural markets. It is in a given market situation the instrument of implementation and management, but it cannot influence the causes of expenditure. Any corrections cannot therefore be made by amending the budget.'

Many speakers criticize what they regarded as a lack of coherence between the decisions taken by the Council when establishing the draft budget for 1980, and statements of intention made by the Council in other formations. I cannot accept this. There is no lack of coherence. I freely admit that it often seems that there is a large gap between a statement of intention by the Council to undertake a certain action and the imple-

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mentation of that action. However, it must be realized that it takes time to examine the idea in all its details and then transfer it into proper legal form. That, if it is an action which requires Community funding, is the time to make the funds available. The Council on 11 September set out to provide funds — adequate funds in their opinion — to finance actions which are already fully agreed, or are likely to be agreed in the near future. What it did not do, when discussing the budget in the budgetary procedure, was to take decisions which it is appropriate to take in other contexts. Neither did it, nor will it, ask the taxpayers of Europe, your constituents, to put money into the budget, which is unlikely to be spent in 1980 because of the time needed to finalize the project and get it off the ground. We will not ask those taxpayers to pay over their money merely in order to make a declaration of political intent. We will ask them for the money only when it is needed.

In conclusion, I appeal to this directly-elected Parliament to consider the budget as we did in Council, that is to take full account of the serious economic and budgetary constraints in all our countries.

However, I want to stress that the Council expects to have in the coming months the real and effective dialogue with the Parliament, which several speakers have called for. I can assure you that the Irish Presidency is approaching this dialogue in an open and constructive spirit.

(Applause)

President. — I call Mr Spicer.

Mr Spicer. — Mr President, I know you wish to finish very quickly indeed. Could I, Sir, on behalf of most Members of this House, congratulate the Chair on imposing time-limits effectively for the first time? Naturally those who still have to speak tomorrow regret the fact that they have been left over, but if we could all work according to the wishes of the Chair a little bit more, then the work of this House would progress very much better. And looking at the timetable, may I thank you and the others who have taken the Chair today, Sir.

(Applause)

President. — Thank you, Mr Spicer.

The debate will now be adjourned until tomorrow morning to complete the list of speakers up to the remaining limit of allocated time.

I call Mr Maher on a point of order.

Mr Maher. — Mr President, I would like to be clear about what is to happen tomorrow. You did indicate earlier on that we would all be accommodated. I said two hours ago that there was no possibility that we would get in today. But, Mr President, the Commissioner will not be present tomorrow.

President. — I am quite sure that any matters that Members raise will be taken up by the Commissioner's representative, and if he is unable to deal with them, then they will be dealt with expeditiously, as always.

The debate is adjourned.

17. Agenda for next sitting

President. — The next sitting will be held tomorrow, Friday, 28 September 1979, with the following agenda:

9.00 a.m.

- Procedure without report;
- Decision on urgency of three motions for resolutions;
- Continuation of the budget debate;
- Motion for a resolution on new criminal legislation in the GDR;
- Motion for a resolution on the situation in Cambodia;
- Motion for a resolution on repression in Argentina;
- Motion for a resolution on the situation in Afghanistan;
- Joint debate on three motions for resolutions on hurricanes David and Frederick;
- Motion for a resolution on forest fires in the Mediterranean region;
- Joint debate on two motions for resolutions on the earthquake in central Italy;
- Motion for a resolution on emergency aid to Nicaragua;
- Oral Question without debate to the Commission on the misuse of Community funds;
- End of sitting: voting time.

I should like to take this opportunity of thanking the representatives of the Council and the Commission for their contributions to our proceedings.

The sitting is closed.

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

ANNEX

Questions which could not be answered during Question Time, with written answers

Question No 9, by Mr Van Aerssen (H-61/79)

Subject : Community energy conservation programme

In its report of 21 June 1979 on the Community energy conservation programme the Commission recommends that in their outline for a basic energy conservation programme the Member States should, in the matter of pricing, maintain their current policy of taxing energy or even raise the taxes (see Annex 3A).

Does the Commission believe that its recommendation for an 'energy tax' will make for a more dynamic Community economic policy even during periods of declining economic growth (cyclical-down-turns), particularly as in many sectors of the economy (e.g. the iron and steel industry, the car industry, etc.) energy is a primary cost factor?

Answer

Everyone, I believe, agrees that we must deal with energy in a rational way. Consumer energy prices and taxation are extremely important in this regard.

We do not believe that the tax element will have a deflationary effect on the economy. This of course presupposes that the high price of energy can be translated to the full into energy-saving projects. Such projects could include :

- the adoption by industry of energy-saving equipment and production methods ;
- greater efforts in the area of energy research.

In other words, energy taxes must have a structural effect and lead to a more economic use of energy resources. They are not an instrument of economic policy.

* * *

Question No 10, by Mr Ansquer (H-73/79)

Subject : Operation of the European Monetary System

What initial conclusions does the Commission draw from the present operation of the European Monetary System ?

Can it indicate the currencies in which the main interventions have taken place ? What difficulties have arisen and how can they be remedied ?

Answer

On the whole the system has worked well. There have been no major strains or disturbances. The volume of intervention necessary to keep the exchange rates of the participating currencies within their prescribed margins has not been excessive. There has been no need, so far, for any realignment of pivot rates. The authorities of those currencies — the Belgian franc and Danish krone — which were, for a period, indicated as 'divergent' have reacted in the manner prescribed in the resolution of the European Council last December ; that is to say, they intervened in support of their currencies on the foreign exchange markets and subsequently introduced restrictive internal policy measures. These measures had the desired effect of correcting the divergence of both currencies.

Intervention *at the bilateral limits* has been, as always, in the currencies of the countries concerned. *Intra-marginal* intervention, by contrast, has been mainly in dollars and only to a rather limited extent in Community currencies.

As regards the difficulties encountered so far and the possible remedies for dealing with them, these are subjects to be examined after the system has been in operation for six months, as provided for in the Resolution of the European Council of 5th December 1978.

Question No 20, by Sir Peter Vanneck (H-86/79)

Subject: Community Energy Policy and China

Noting the decision of the Government of China not to proceed with the purchase of French manufactured nuclear reactors and having regard to the potential of China as a supplier of energy carriers to the world, what consideration is the Commission giving together with the Community's Chinese partners to the establishment of a working party on energy, within the terms of the EEC-China Trade Agreement?

Answer

The first meeting of the Joint Committee set up within the terms of the Trade Agreement between the Community and the People's Republic of China was held in Peking in July this year. At that time, no decision had yet been taken to set up special working parties.

The setting up of a working party on energy is now being considered both in the Community bodies and in discussions with the Chinese authorities.

* * *

Question No 2, by Mr Bettiza (H-87/79)

Subject: Vote for emigrants in local elections

Can the Commission confirm that it intends to request the Member States to grant migrant workers the right to vote in local elections as from 1981, and can it give details of the legal nature of the document envisaged (recommendation, directive) and of the implementing procedure?

Answer

1. The Commission has frequently spoken out in favour of enabling nationals of other Member States to vote and to stand for election in local elections in their host countries.

Moreover, it has also put forward its position in the Working Group on Special Rights, set up by the Council to implement paragraph 11 of the final communiqué of the Paris Summit of 9/10 December 1974. In this context all citizens of the Member States, and not only workers from these countries, should have the right to vote and to be elected.

2. The Commission will do everything in its power to promote the rapid introduction of this right.

(a) It must, however, be borne in mind that, before this right is recognized a number of problems concerning the way in which the right to vote is to be applied, must be solved. These technical problems include the following questions:

- should a dual vote — in the host country and the country of origin — be tolerated?
- should residence requirements be envisaged; in the case of non-nationals these requirements might be stricter than those which — where they exist — apply to nationals.
- in countries where voting is compulsory should foreigners also be required to vote under the same conditions as nationals, or should they be exempt from this obligation?

(b) With regard to the precise deadline for introducing the right to vote and to be elected, it should be remembered that the granting of such a right would require amendments in the constitutions of 5 Member States. For this reason the majority of the delegations in the Working Group on 'Special Rights' envisage a period of three years after the adoption of the principle of active and passive voting rights.

3. Legal nature of the act introducing the right to vote:

Articles 2, 3 (c) and 235 of the EEC Treaty could provide the legal basis for introducing the right to vote and to be elected in local elections.

These articles could enable the European Community bodies to draw up a legal instrument introducing active and passive voting rights.

Question No 24, by Mr Ruffolo (H-91/79)

Subject: economic convergence

How does the Commission intend to keep Parliament fully informed of the contents of the report which it is drafting for the Council on convergence of the Member States' economies?

Answer

The Commission sent the full text of its reference paper on budgetary questions to the Parliament as soon as it was available in all Community languages.

Question No 26, by Mrs Ewing (H-101/79)

Subject: Mining and disposal of nuclear material

Will the Commission disclose what recommendations they have made or intend to make with regard to the disposal of nuclear waste in hard rock sites in the United Kingdom and with regard to the proposed mining for uranium in the Highlands and Islands constituency, and will they comment on the attitude of the local inhabitants to any such proposed disposal or mining?

Answer

1. The Commission has made no recommendation concerning the extraction of uranium in the Highlands and Islands.

Under the provisions of Article 70 of the Euratom Treaty, which stipulates that within the limits set by the budget of the Community, the Commission may give financial support to prospecting programmes in the territories of the Member States, the Commission intends to grant financial aid to a company which is planning to prospect for uranium in Scotland.

At the present time, prospecting is aimed solely at determining whether economically viable uranium deposits exist and not at exploiting such deposits. This activity entails no particular danger for the environment or for human beings. If the prospecting were to reveal the existence of economically attractive deposits, the mining company could then seek government authorization to exploit the resources. It would then be the responsibility of the government to make any authorization subject to conditions ensuring that exploitation does not jeopardize the comfort and safety of the local inhabitants and their legitimate concern to prevent a deterioration of their environment.

2. The Commission has made no recommendation concerning the storage of nuclear waste in hard-rock sites in the United Kingdom.

The Commission feels that it is still too early to recommend the stockpiling of highly active nuclear waste in hard-rock sites, either in the United Kingdom or elsewhere. In fact, research and development studies still have to be undertaken into the feasibility and safety of disposing of waste in this way. In the framework of its indirect R & D action programme on the management and storage of radioactive waste, the Commission has, for its part, concluded shared-cost contracts with the various public bodies concerned in the United Kingdom covering the major part of the work carried out in this field in the United Kingdom.

Any fears harboured by the local inhabitants in this connection must be regarded as primarily emotive because the R & D projects under way or being planned are not aimed at setting up installations for the final storage of radioactive waste on the sites studied but at assessing, before any decision is taken and taking account of the need to protect the local population and environment, the feasibility of disposing of nuclear waste in hard-rock areas.

Question No 27, by Mrs Walz (H-105/79)

Subject : Approval of the UK-Australia uranium agreement

On what legal and political grounds has the Commission modified its attitude, which was based on the EEC Treaty and rulings of the European Court of Justice, in the matter of approval of the UK-Australia uranium agreement, thus creating a precedent with unforeseeable consequences?

Answer

1. In examining the compatibility of the British-Australia uranium agreement with the Euratom Treaty the Commission has always adopted the same legal attitude and has not changed it in any way.
2. During the first presentation of the draft agreement in summer 1978 the Commission informed the British Government within the period laid down and pursuant to Article 103 of the Euratom Treaty, that the draft contained provisions which would impede the application of the Euratom Treaty.
3. As a result the British and Australian Governments amended the original draft agreement to take account of the Commission's objections. Both sides stressed that they would endeavour to promote the early conclusion of a Community agreement and that those parts of their agreement covered by a Community agreement will become void.
4. When the Commission reexamined the agreement in summer 1979 it concluded that the amended draft accorded with the United Kingdom's obligations under the Euratom Treaty and that no further objections could be raised against it. This conclusion is in line with the decision of the European Court of Justice which in its ruling of 14 November 1978 on the question of the accession of the Community and the Member States to international conventions on the physical protection of nuclear material insisted that the Community and the Member States should act in unison without however requiring the exercise of this solidarity for all relations with third countries in the nuclear field as a whole. Article 103 of the Euratom Treaty explicitly stipulates that the Member States may conclude agreement with third countries, provided such agreement do not impede the application of the Euratom Treaty.
5. Since the Council of Ministers instructed the Commission on 18 September 1979 to negotiate a Community agreement with Australia, Member States may no longer conclude separate agreements but can have access to Australian uranium under the same conditions.

* * *

Question No 28, by Mr Früh (H-108/79)

Subject : Competition in the poultry sector

What are the Commission's views on the position of the poultry sector in the Federal Republic of Germany and the Netherlands?

What steps can it take to reduce the distortions of competition in this sector?

Answer

The Honorable Member is probably referring to the development in trade in eggs between Germany and the Netherlands.

The numerous factors which are responsible for this development include :

- the favourable geographical situation of the Netherlands with access to a well-equipped port (Rotterdam), the importation of animal feeding stuffs at a low price, the structure of the animal feeding stuffs industry and the structure of production and trade in poultry products in the Netherlands ;
- the application of the investments law (WIR) to purchases of laying hens is also one of the factors involved.

The Commission is currently considering whether the granting of a purchasing premium for laying hens is economically justified, in view of the fact that such purchases are renewed every 14 months and cannot therefore be considered as an investment but rather as working capital.

It has requested the Netherlands Government to cease granting the WIR premium for purchases of laying hens.

Question No 29, by Mr O'Leary (H-109/79)

Subject: Transport policy and traffic congestion in large cities

In the framework of its transport policy proposals, will the Commission study the problem of traffic congestion in large cities with a view to making proposals, and providing aid towards a solution to the problem, consistent with environmental considerations and the wishes of the citizens?

Answer

1. The Commission believes that proposals for measures to solve the problems created by traffic congestion in large cities are essentially matters for the regional and local authorities and national administrations concerned.

Work on the development of the common transport policy is concentrated primarily on the preparation and execution of measures related to intracommunity and international transport. We should be cautious in trying to intervene in matters of urban traffic congestion best handled nationally or locally.

That said, there may naturally be places along important intra-Community axes where improvements are necessary in order to permit the crossing or the bypassing of a conurbation. The system of consultation on transport infrastructure programmes and projects of Community interest, and the proposed regulation to set up machinery to enable Community financial support to be given for Member States' projects of high Community interest, can thus be relevant.

2. One of the important bases of the common transport policy is that infrastructure users, as for example vehicles in urban traffic, should pay their real travel costs, including those borne by the Community at large in the areas of traffic congestion, noise and air pollution. Despite limited staff, we continue to work on the difficult problems of determining and imputing these costs. The charging of such costs to vehicles should contribute to a more rational pattern of urban movement.
3. The Community has already established an environmental action programme incorporating comprehensive standards and guidelines to protect and improve the quality of life of all urban dwellers.
4. A long term solution as likely to involve national and local land use planning policies aimed at reorganizing human activities and reducing commuting. The trends and policy issues related to the transport problems of large urban concentrations are being investigated in a Community concerted research action.

* * *

Question No 30, by Mr Clinton (H-112/79)

Subject: Imports of New Zealand dairy products

Would the Commission say what undertakings were given to New Zealand, on access of their dairy products to the Community, by the Commission before the meeting of the Council of Ministers which decided on this matter?

Would the Commission say what level of imports they foresee in the next four years?

Answer

In the case of butter, no undertakings have been given to New Zealand for access to the Community market beyond 1980. In the Commission's view it is necessary to take into account the overall political and economic relations with New Zealand when considering the arrangements beyond 1980.

So far as cheese imports are concerned, the Commission has held negotiations within the framework of the GATT with New Zealand, amongst others, concerning imports of cheese. These negotiations took place within the mandate given by the Council of Ministers. The final agreement has still to be ratified by the Council.

* * *

Question No 31, by Mr Curry (H-113/79)

Subject : Management of agricultural markets

Given the successful operation of the hops market through the use of a mathematical model relating production, demand, stocks, area planted, yields and unitary utilization of production on a word-wide and Community basis, what plans has the Commission to extend its use of mathematical model methods for further agricultural sectors to facilitate more effective planning of the Common Agricultural Policy ?

Answer

The Commission at present uses mathematical techniques for forecasting production in the eggs, poultry and hops sectors and production together with prices in the pigmeat sector. The Commission is also conducting research aimed at applying mathematical methods to long-term agricultural forecasting. But these models can never be more than one tool among many in the operation of the common agricultural policy.

Question No 32, by Mrs Cresson (H-115/79)

Subject : Community migrant workers

Can the Commission assure Parliament that the repatriation premiums introduced in certain Member States to encourage migrant workers to return to their country of origin have not been offered to Community migrant workers, in violation of the Treaties and the regulations on freedom of movement and freedom of establishment ?

Answer

I take it the Honourable Member is referring to legislation being drafted in France. This does not apply in any way to Community nationals. So the answer is yes, this does not apply to migrant workers from Community countries.

More generally, I can say that if the government of a Member State should wish to make a repatriation grant to a national of another Member State on condition that he did not return, such a condition would conflict with Community law, that is to say with the rules on the free movement of persons.

* * *

Question No 35, by Mr Blaney (H-121/79)

Subject : Disadvantaged areas of Ireland

Will the Commission arrange for an urgent survey of the disadvantaged areas of Ireland, particularly the Western region, with the object of providing monies under the Social and Regional Development Funds for improving the appalling existing telephone system and inadequate roads network ?

Answer

1. The disadvantaged areas of Ireland, in particular the Western region, are among the regions which the Commission considers to have a priority claim to aid from the European Regional Development Fund. The Commission is currently considering the possibilities of undertaking specific action to help Ireland from the non-quota section of the Fund.

2. The Commission's contributions from the European Regional Development Fund have concentrated in particular on developing vital basic infrastructures, especially the telephone system and the road network :
 - with regard to the telephone system, between 1975, when the Fund was set up, and July 1979, the Commission financed 68 projects, representing an investment of 59.2 million EUA (including three projects in Donegal totalling 8.5 million EUA);
 - with regard to the road network, the Commission has financed 60 projects, representing an investment of 38.7 million EUA (including five projects in Donegal totalling 1.2 million EUA).
3. Aid from the Social Fund is confined principally to encouraging professional training measures and cannot be granted directly for the development of infrastructures such as the telephone and road networks. However, substantial aid has been granted from the Social Fund to the Irish National Training Authority (ANCO) which administers training centres in the Western region.
4. The Commission will continue to accord special attention to the problems which must be faced in the disadvantaged areas of Ireland.

Question No 37, by Mr Cronin (H-123/79)

Subject: Promoting infrastructural investment projects in Ireland and the Community

Can the Commission provide details of investments made in Ireland and the other Member States following the Council decision empowering the Commission to contract loans for the purpose of promoting investment projects in infrastructure and energy sectors in the Community, the first tranche of borrowings being worth 500 million EUA?

Answer

The first seven loans granted under the new Community instrument were signed on 17 September last. The total amount of these loans is 232 million EUA.

Where Ireland is concerned, 4 loans have been granted :

- for the building of a power station in County Cork
- for water supply, drainage and sewage treatment installations in Dublin
- for the improvement and upkeep of some twenty rural and urban highways
- for the extension of existing telecommunications centres and the building of new ones.

The loans amount to a total sum of 58 million Irish pounds. I would draw attention to the concentration of loans in the priority sectors of energy and infrastructure, a fact which demonstrates the specificity of the NCI.

Question No 38, by Mr Flanagan (H-124/79)

Subject: Joint fact-finding mission by the Parliament's Regional Committee and the Commission to Ireland

Would the Commission agree to forming a delegation with the Parliament's new Regional Policy Committee for a fact-finding mission to both the Republic of Ireland and Northern Ireland, particularly in view of the need to reduce imbalances between the richer and poorer regions of the Community?

Answer

The Commission is fully aware of the problems in Ireland and Northern Ireland with regard to the discrepancy between their level of development and that of the richer regions of the Community.

Since the Community regional policy was introduced, the Commission has carried out numerous studies on the need for social and economic development in Ireland and Northern Ireland and the opportunities for achieving it.

In accordance with Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund¹, all the Member States forwarded their regional development programmes to the Commission at the end of 1977. These programmes form the basis for assessing ERDF projects and contain in particular an extremely detailed analysis of the economic and social

situation of the regions for which ERDF aid is intended (since Ireland as a whole is considered as an ERDF region, all its regions, and also Northern Ireland, are included in the programmes). From the programmes it is possible to identify the main imbalances affecting the regions and to establish the priority sectors for regional development measures.

To ensure that the projects receiving ERDF aid make the maximum contribution to the development of the poor regions, the Commission services responsible for the ERDF have established close contacts with the national authorities, both at central and at regional or local level. These contacts, frequently on the spot, help to pinpoint a large number of investment projects which could benefit from ERDF aid. For example, the specific action which the Commission intends to take to help the border regions of Ireland and Northern Ireland involves close cooperation between the Commission and the regional, national and local authorities concerned.

* * *

Question No 39, by Mr K. Kirk (H-125/79)

Subject: National aid to shipbuilding

The fourth directive on aid to shipbuilding requires the Commission to endeavour to limit and reduce State aid and to eliminate distortion of competition.

What will be the overall increase in State aid if the Commission's 'scrap and build' programme is adopted, and how can this programme fail to conflict with the policy set out in the fourth directive?

Answer

At the present stage in the planning of the 'scrap and build' scheme, it is difficult for the Commission to define the financial impact which such a scheme will have on shipbuilding because the aids concerned are aids to shipowners and not to shipbuilding. However, the Commission is able to inform the Honourable Member that it is now planning to provide a total budget for such aids to shipowners of around 145 million EUA a year for a period of 3 years on the hypothesis that the scheme operates at full volume.

Provided that all the Member States participate in the scheme and shipowners order their vessels in the Member State of their choice, there will be no discriminatory effects between the shipyards of the Community. Under these circumstances, the scheme will complement the efforts made by the Member States in the shipbuilding field and will be perfectly compatible with the 4th Directive.

If, however, the system of 'scrap and build' aids to shipowners were to operate in a manner such as to exclude certain Community shipyards, the scheme would take on the character of indirect aid to specific shipyards and such aid would have to comply with the criteria of the 4th Directive on the harmonization of national aids to shipyards.

* * *

Question No 40, by Mr Fellermaier (H-126/79)

Subject: Customs declarations by travellers entering France in sleeping cars

Is the Commission prepared to use all means at its disposal to persuade the French Government to end the practice of asking travellers entering France in sleeping cars for a customs declaration on goods, valuables, and currency in their personal luggage?

In the instructions for completing the declaration form it is stated that:

'With the exception of personal and used items of clothing, all articles acquired by purchase or gift and of any nature are to be listed, especially new articles of clothing or furs, knitwear, lace, textiles, linen, glass, leather goods, carpets, articles of gold or silver, radio and television receivers, cigarettes

and cigars tobacco, foodstuffs, spirits, liquors, perfumes, pharmaceutical products, etc., whether or not they are being carried for commercial purposes'.

Answer

The Commission appreciates that the practice of asking travellers using sleeping cars and couchettes for a written declaration is regarded as an annoyance.

At the same time one cannot deny the customs authorities the right to ensure that the customs and taxation provisions in force are complied with, on the understanding that these checks are carried out sporadically and, that in the interest of simplification, the 2nd Council Directive of 12 June 1972¹ gives travellers passing between the Member States of the Community the opportunity of affirming tacitly or by a simple verbal statement that they are complying with the authorized limits and conditions of duty free imports.

The French authorities justify asking for this declaration on the grounds that they wish to avoid waking passengers to obtain a verbal declaration.

The Commission has already made representations to the French authorities in the past, and it is prepared to do so again with a view to easing this formality.

* * *

Question No 42, by Mr Lalor (H-131/79)

Subject: Energy crisis and increase in number of passengers carried by public transport

According to the Irish national transport company, CIE, the energy crisis has led to an increase in the number of people using public transport. Has a similar trend been noted in the other Member States' public transport services?

Answer

I would first of all draw the attention of the Honourable Member to the fact that the phenomenon referred to by the Irish transport corporation, CIE, and its effect on the number of public transport users was quite exceptional, being confined to Ireland, and to a period of some weeks in May 1979, and was characterized by a *shortage* of fuel for private motor vehicles.

Under these circumstances, a shift from private transport to public transport was only to be expected.

* * *

However, seen from a general angle, the question might be asked whether the energy crisis — which began in 1974 and has basically taken the form of an increase in the cost of running private cars — has had an effect on the rate of use of public transport.

An examination of the situation in each of the Member States on the basis of the figures available over a fairly long period (1972-1978) — number of passengers and number of passenger kilometres — does not reveal any overall trend towards greater use of public transport, the increases noted in some Member States being offset at Community level by the decreases recorded in others.

* * *

¹ OJ 139 of 17. 6. 1972, p. 28.

Question No 43, by Mr Davern (H-132/79)

Subject : Eradicating cattle diseases

How much aid by way of special premiums for eradicating cattle diseases has been granted to the Member States under FEOGA and how successful have these schemes been ?

Answer

No financial aid has actually been paid to any Member State under the Community accelerated disease programmes. It is too early to evaluate the effect of the programmes.

* * *

Question No 44, by Mrs Lizin (H-133/79)

Subject : Data-processing equipment

Could the Commission inform us what action it intends to take on the report on the provisional acceptance of data-processing equipment installed by the ICL company ?

Answer

The provisional acceptance of the ICL computer has taken place following an initial demonstration which took place in June/July 1979. This provisional acceptance has enabled the Commission to cancel its present IBM equipment.

Final acceptance which is planned for the end of the year, will take place when CIRCE is shown to be operating satisfactorily on the ICL equipment. CIRCE covers data bases for Community law as well as internal documentation of the Commission.

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IN THE CHAIR : MR PFLIMLIN

Vice-President

(The sitting was opened at 9.00 a.m.)

President. — The sitting is open.

1. *Approval of the minutes*

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

Are there any comments ?

The minutes of proceedings are approved.

2. *Documents received*

President. — I have received the following documents :

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

— Regulation opening a Community tariff quota for frozen buffalo meat under subheading 02.01 A II 6 466/33 of the Common Customs Tariff (Doc. 1-362/79),

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 ;

I Regulation opening, allocating and providing for the administration of a Community tariff quota for wines of fresh grapes falling within subheading ex 22.05 C of the Common Customs Tariff and originating in Cyprus (1980)

II Regulation opening, allocating and providing for the administration of a Community tariff quota for liqueur wines falling within subheading ex 22.05 C of the Common Customs Tariff and originating in Cyprus (1980) — (Doc. 1-363/79),

which have been referred to the Committee on External Economic Relations, as the committee responsible, and to the Committee on Agriculture, for its opinion ;

— Regulation on the total or partial suspension of Common Customs Tariff duties on certain agricultural products originating in Turkey (1980) — (Doc. 1-364/79),

which has been referred to the Committee on External Economic Relations, as the committee responsible, and to the Committee on Agriculture for its opinion ;

b) the following motions for resolutions, pursuant to Rule 25 of the Rules of Procedure :

— from Mrs Badual Glorioso, Mrs Barbarella, Mrs Boserup, Mrs Caretoni Romagnoli, Mrs Cinciari Rodano, Mrs Demarch, Mrs J. Hoffmann, Mrs Le Roux, Mrs Poirier, Mrs Squarzialupi, Mr Chambeiron, Mr Damette, Mr Fanti, Mr Ferrero, Mr Paquet, Mr Spinelli and Mr Wurz, on the setting up of an *ad hoc* committee on the rights, equality and status of

women in the countries of the Community (Doc. 1-368/79)

which has been referred to the Committee on the Rules of Procedure and Petitions :

— from Mr Arfè, Mr Gatto, Mr Diddò, Mr Estie, Mr Ferri, Mr Lezzi, Mr Puletti, Mr Ripa di Meana, Mr Ruffolo, Mr Zagari, Mr Cariglia and Mr Josselin, on the Charter of rights of ethnic minorities (Doc. 1-371/79),

which has been referred to the Political Affairs Committee ;

c) the following motion for a resolution, pursuant to Rule 54 of the Rules of Procedure :

— from Mr Patterson, Mr Turner, Mr Tyrrell, Mr Scott-Hopkins and Mr Prout, on the amendment of the Rules of Procedure of the European Parliament,

which has been referred to the Committee on the Rules of Procedure and Petitions.

3. *Texts of Treaties forwarded by the Council*

President. — I have received from the Council certified true copies of the following :

— agreement between the European Economic Community and the Kingdom of Thailand on trade in textile products,

— agreement between the European Economic Community and the Republic of Korea on trade in textile products,

— agreement between the European Economic Community and Macau on trade in textile products.

These documents will be placed in Parliament's archives.

4. *Petitions*

President. — I have received the following petitions :

— by members of 'Christian Action for the abolition of torture', on the protection of human rights

— by Mr Johnston, on British representation in the first directly-elected European Parliament

— by Mr Schmitt, on problems to be solved at European level

— by Mr Danvers, on behalf of the European Suffrage Movement, on the right to vote for British citizens living in France

These petitions have been entered under Nos 6/79, 7/79, 8/79 and 9/79 respectively in the register provided for in Rule 48(2) of the Rules of Procedure, and, pursuant to paragraph 3 of that same rule, referred to the Committee on the Rules of Procedure and Petitions.

5. *Membership of committees*

President. — I have received from the Group of the European People's Party (C-D Group) a request for the appointment of Mr Estgen as a member of the Committee on the Environment, Public Health and Consumer Protection to replace Mr Zaccagnini.

President

I have also received from the Communist and Allies Group a request for the following appointments to committees :

- *Committee on External Economic Relations :*
 - Mrs Caretoni Romagnoli, to replace Mr Segre ;
- *Committee on Social Affairs and Employment :*
 - Mr Ceravolo, to replace Mrs Caretoni Romagnoli ;
- *Committee on the Environment, Public Health and Consumer Protection :*
 - Mr Segre, to replace Mr Ceravolo
- *Committee on Youth, Culture, Education, Information and Sport*
 - Mrs Cinciari Rodano, who is relinquishing her seat on the Legal Affairs Committee, to replace Mrs Demarch.

Are there any comments ?

These appointments are ratified.

6. *Budgetary procedure for the 1980 Community budget*

President. — At its meeting of 10 and 11 September 1979, the enlarged Bureau decided, pursuant to Rule 1 (4) of the Rules of Procedure, to convene the European Parliament for a part-session to be held in Strasbourg on 5, 6 and 7 November 1979 and to be devoted exclusively to the consideration of and vote on the first reading of the draft general budget of the European Communities for 1980.

On a proposal from the chairman of the Committee on Budgets, the President of Parliament fixed the deadline for submitting documents relating to the budget (draft amendments, proposed modifications, proposals for outright rejection, committee opinions) as follows :

6.00 p.m. on 12 October 1979 :

Deadline for tabling draft amendments, proposed modifications, apart from those tabled by the political groups, and for submitting committee opinions (pre-report)

6.00 p.m. on 17 October 1979 :

Deadline for tabling draft amendments and proposed modifications by the political groups (pre-report)

8.00 p.m. on 5 November 1979 :

Final deadline for tabling draft amendments and proposed modifications (post-report).

I propose that Parliament extend to the 1980 financial year the validity of the internal Rules of Procedure for examination of the general budget of the European Communities which were adopted on 17 September 1976 and are contained in Annex I to the Rules of Procedure of the European Parliament.

Are there any objections ?

That is agreed.

7. *ACP-EEC Consultative Assembly*

President. — I confirm that the annual session of the ACP-EEC Consultative Assembly will be held in Luxembourg from 10 to 12 October 1979.

The list of Members appointed to the Consultative Assembly will be annexed to the minutes of proceedings of this sitting.

8. *Procedure without report*

President. — On Monday I announced the titles of the proposals from the Commission to the Council for approval under the *procedure without report* provided for under Rule 27A of the Rules of Procedure. Since no Member has asked leave to speak and no amendments to them have been tabled, I declare these items approved by the European Parliament.

9. *Decisions on urgency*

President. — The next item is decisions on urgency for certain motions for resolutions. We shall begin with the motion for a resolution (Doc. 1-365/79): *Creation of a committee on women's rights.*

I call Mrs Roudy.

Mrs Roudy.— (F) The Socialist Group has submitted a motion for a resolution with request for urgency for a committee on the rights of woman to be set up. We consider this to be very important. It is in fact a question of freedom, and as there exists a committee on the rights of man we think there should be a committee on the rights of woman, the difference being that in our view this committee should be for the moment an *ad hoc* one. This was perhaps not made clear in our text, and I wish to point it out.

I understand that this question has almost been considered several times in the enlarged Bureau, but that the length of the agenda has prevented its inclusion. I should like to suggest that in such cases, the item of the agenda should be put at the head so that there is time to consider the question. It is indeed strange that these special questions often cannot be dealt with because the agenda is too full.

Which committee should be responsible for such questions? The Political Affairs Committee would seem to be concerned as well as the other committees, in so far as it is a matter of rights and not simply a social question or one of health.

But we withdraw the urgent nature of this motion in so far as it would not be responsible to debate it in a hurry. On behalf of the Socialist Group, I ask that the motion be carried forward to the next part-session.

President. — I note that the request for urgency has been withdrawn.

President

Pursuant to Rule 25 of the Rules of Procedure, the motion for a resolution will be referred to the appropriate committee.

We shall now consider the request for urgency for the motion for a resolution (Doc. 1-367/79): *Situation in Central Africa*.

I call Mr Sarre.

Mr Sarre. — (F) Mr President, thanks to the action of the organization, Amnesty International, and, even more, thanks to the courage of the many Central Africans who have supplied information for the report drawn up by the Committee for African Lawyers, world public opinion has suddenly discovered the extent and the horror of the crimes perpetrated by Bokassa.

In the face of the monstrous nature of the facts revealed, international pressure has increased and nations, in particular the French nation, have condemned the Central African regime and its head outright. So progressively, the main supporters of the dictator have abandoned him.

The French government, which had for years covered up these crimes, has had to find an alternative solution quickly. Once again French parachutists and secret services were put to use. The method and the means used are those of colonialism.

Eight days after these events is it possible to be satisfied? Unfortunately not, as the political situation in Central Africa is worrying. If order reigns in Bangui, democracy is still not the order of the day. The accession of Mr Dako to the presidency of the Republic irresistibly brings to mind the conditions on which Bokassa came to power. The present President of the Republic, a former adviser of the torturer, belongs to the same clan as his predecessor. He offers no guarantees. Mr Dako is suspect. He has not been chosen by his fellow-countrymen. He is a puppet in the hands of the French government. A foreign army is imposing its presence and forbidding the free expression of the Central African people. In short nothing has been settled. Bokassa had to go for everything to stay the same.

The Strasbourg Parliament in the first part-session since its establishment cannot remain silent. It is its duty to demand the withdrawal of the French troops. And it will add to its reputation by condemning this new form of colonialism. As well as condemning a hateful dictatorship, neo-colonialist practice in Africa must be denounced today. Mr President, colleagues, it is an urgent matter to decide on an urgent debate.

President. — I call Mr Diligent to speak against urgency.

Mr Diligent. — (F) In less than two minutes Mr President, I can explain the reasons which lead me to ask

this Assembly to refer the motion for a resolution to the appropriate committee without further ado.

A motion for a resolution on the same subject but using much more moderate language about my country has been referred to the Committee on Development and Cooperation, and will be discussed next Monday.

I am however astonished to see those who during the European campaign were fierce defenders of national independence asking unexpectedly today for this Assembly to condemn the foreign policy of my country.

I note as well that this text is signed by some people who three days ago, on a question by Mr von Hassel and Mr Fergusson, claimed that it touched indirectly on military questions, and demanded that it should be rejected in consequence. It is these same people who ask this Assembly to condemn what they claim is military intervention on the part of my country.

I merely ask certain proposers to show a minimum of logic. One can make reservations. Three days ago I made some on certain aspects of this question. But it would be very serious if this Assembly became the battleground for the settling of problems of internal policy. If we really want to kill off this Assembly, we should vote for this motion.

President. — I put the request for urgency to the vote.

Urgency is rejected. Pursuant to Rule 25 of the Rules of Procedure the motion is referred to the appropriate committee.

* * *

We shall now consider the motion for a resolution (Doc. 1-370/79/rev.): *European legal space*.

I call Mr Motchane.

Mr Motchane. — (F) Mr President, I don't think it is necessary to prove the importance of the questions raised by our motion for a resolution. As for the urgency of this matter, the debate which arose, notably from Lady Elles' oral question, is sufficient proof of the concern and the diversity of opinion about threats to our liberty and ways of combating them.

In this matter one of the greatest dangers for democracy is secrecy and the insidious way in which changes in rights occur. It is for this reason that the European Assembly which is rightly concerned with the full exercise of its prerogative must ask the Council for a full account of the present state of negotiations and considerations on the defence of freedom.

My colleague, Mr Van Minnen has revealed to the Assembly our very grave misgivings on this score.

Motchane

Today is not the time to go into the question in full. I will only say what is behind our request for urgent debate: it will be extraordinary if the first act of the first directly elected European Assembly is to give priority to the construction of the Europe of police States.

However, it is too serious a subject to be discussed properly at the end of a part-session like this. This is why I ask the Assembly to include this question at the beginning of the agenda for the next part-session.

President. — I call Mr Chambeiron to speak in favour of urgency.

Mr Chambeiron. — (*F*) Since Mr Motchane has withdrawn his request for urgency, I shall not try to be more royalist than the king!

President. — Since the request for urgency has been withdrawn, the motion for a resolution will be referred, pursuant to Rule 25 of the Rules of Procedure, to the appropriate committee.

I call Mr Berkhouwer on a point of order.

Mr Berkhouwer. — (*F*) The honourable Member has asked for this motion to be placed on the agenda of the next part-session. But surely it should be referred to the appropriate committee.

President. — It has been referred to committee, Mr Berkhouwer.

10. Organization of debates

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

Mr Spicer. — Mr President, with regard to today's business, you have already referred to the length of our agenda, and I wonder if you could give the House any indication of the Chair's views on the structuring of today's business. Yesterday we had the very unfortunate situation where, half way through the day, a guillotine or time limit was imposed.

It would be most helpful if we could have the Chair's views now, Sir, as well as an assurance from you that any decisions will be strictly observed if a time guillotine is imposed.

President. — I have no doubt that the Members present are quite prepared to stay until the end of the sitting even if it goes on until a very late hour. However, in the interests of the efficient conduct of our proceedings, I think we should all submit to a certain discipline. I propose that Parliament limit speaking time to 10 minutes for the author of each motion and 5 minutes for other speakers.

Are there any objections?

That is agreed.

11. Presentation and discussion of the draft general budget of the European Communities for 1980 — Implementation of the 1979 Community budget (resumption)

President. — The next item is the resumption of the debate on the budget.

I call Mrs Boserup.

Mrs Boserup. — (*DK*) Mr President, I cannot support this draft budget or any other. My party, the Socialist People's Party, does not consider the Rome Treaty to be the appropriate foundation for the international cooperation which we seek, and that alone entails that I am unable to accept shared responsibility for the budget as a whole. That fact will not prevent me from taking a serious part in the work of the Committee on Budgets or from trying to get to grips with the 5 to 7 kilos of paper.

The problems that arise with the budget are by no means uninteresting — not at all — for they reflect the problems of the Community as a whole. It is said by many, indeed by practically everyone here, that agricultural expenditure swallows up too large a share of the budget. This underlines in the plainest way the failure of the Community's agricultural policy. The only good thing about it is that it blocks further integration in the Community, and that is another reason why this Assembly criticizes the big share of the budget devoted to agriculture.

Unlike most people in this Assembly, I cannot support attempts to increase the budget, nor can I support attempts to make as many budget entries as possible, items of non-compulsory expenditure. I am against the supra-national tendency implicit in this. It appears that people want the Social Fund and the Regional Fund to have more money, but the resources devoted to these areas so far have no effect. The poor regions in the Community are not catching up with the living standard in the rich ones — quite the contrary. The solution does not lie in giving more money, but in the attack on the free movement of capital. Without an attack on this, no fund will be of any use. It is characteristic of the whole question that the EC has not been in a position to solve the contradictions caused by the development of capitalism.

After a tug of war between the Council and the Parliament, it will indeed still be possible to cobble together a budget. Parliament's attempt to acquire more power for itself with the help of the budget is something I cannot support. It can happen that the Council will take strange or even irresponsible decisions. That has the advantage that we can press our ministers in the Council to use the veto or we can dismiss them at an election. This Assembly remains unchanged for five years, and its work has pitifully little relevance to the reality in which my voters live.

President. — I call Mr Cecovini.

Mr Cecovini. — (*I*) Mr President, the debate on the preliminary draft budget would have been an excellent occasion to reaffirm certain principles of general European policy which ought not to be pushed to one side if we believe in the promotional function of this Parliament. However the extremely limited time available will only permit me to allude to this briefly.

I am convinced that Europe will not be built if we in this Parliament cannot find a way of reinforcing our actions with the strength necessary to overcome the various egotisms which still divide us. We must think in terms of a Europe which will not simply be the aggregate of so many parallel national political wills, but which will express a new will, a common will, which will give to each of its citizens the new legal, social and historical dimension of a European citizen. Nobody could imagine that this can be achieved with budgets like the one we are considering. A budget misguided in the order of its priorities, retrograde rather than progressive, designed rather to slow down than to accelerate the march towards Europe; a budget inspired by no European spirit, but one which flatters national political sovereignty — as we have heard — rather than one which encourages by practical measures, that process of unification which nevertheless has permitted us to be here and to meet here — using different languages but with a single end — in this high Assembly.

A process of unification, however, requires that the statutory organs have at their disposal resources of their own permitting them to conduct an investment policy which will be ever more independent of that of the individual national States. This would be possible, of course, with a reasonable increase in revenues — above all increasing the Regional Fund and the non-compulsory sections, and certainly not, on the contrary, by allocating 66 % of the payment appropriations to the EAGGF Guarantee Section, when those relating to the Social Fund and the Regional measures to arrive at a more balanced distribution of Community expenditure, without falling back on the convenient excuse of the letter of the underlying regulations. What we need is imagination and courage!

In this context it is relevant to mention a project which only yesterday I presented to a working party of the Liberal and Democratic Group, and which, for the sake of convenience I shall call 'Project Trieste'. This is a project of Community interest in that it not only offers Europe — extended to include Greece — a rapid southern transit route through Bavaria, Austria and Friuli-Venezia-Giulia, but will facilitate a major saving in energy by shortening the land route to the ports of Trieste and Monfalcone and by replacing the existing or planned extension of land routes towards the eastern Mediterranean, the trans-Suez countries and the Far East by the natural waterway of the Adri-

atic Sea. Here is one example among so many of how Europe should be built!

If we truly wish to build a Europe which will not just be a safeguard against the changes arising in the various national societies, but will take advantage of the great, unrepeatable opportunity of the most impressive transformation which history has ever known, the road to be taken is the one which starts from a budget which will incorporate the spirit of Europe. Otherwise — but this is something I do not even want to think about — in a century, or even before, we shall all be reduced to the state of historic relics, mere cultural survivals, inert witnesses — rather than protagonists — of a history created by others.

President. — I call Mr Früh.

Mr Früh. — (*D*) Mr President, I would like to make a brief contribution on agricultural policy in the context of the budget. This has of course been referred to in every speech — the common agricultural policy has been given black marks. But I think we must first set out its successes. It has increased productivity and thereby raised the income and living standards of farmers, as required under the Treaty. At the same time however, the consumer is supplied with provisions of a high standard at suitable prices. In the food sector — and this is a very decisive and important point — the European Community can no longer be blackmailed from outside, and at the same time — and this is something which has repeatedly been called for — it is capable of taking on a role in the struggle against hunger in the world. We must never underestimate this fact, and must also bear in mind that shortages lead very quickly to price increases and can therefore decisively weaken our political and economic position in the world.

But the costs of this agricultural policy are of course a source of anger for many who stop to consider them. Here it must be clearly pointed out that agricultural policy takes up 70 % of this budget, because it is the only integrated policy and because it has not yet proved possible to integrate the other political, regional, energy, research and employment policies on the European level as well. We are very concerned about the fact that this has not proved possible, for the very reason that it is the agricultural policy which continually has to take the blame.

There is a second thing which must be said. A large part of this expenditure is caused by political concessions which give rise to considerable cost. When you consider that concessions have had to be made for butter from New Zealand under the terms of the accession negotiations, that other concessions have to be made on the basis of development policy under the Lomé Agreement, and that in spite of preference to domestic production, other concessions have to be made to third countries, then you will understand this

Früh

point, and I must ask you to look at these burdens on the agricultural policy in the overall perspective.

However — and this is quite obvious — we have cause for concern in those areas where agricultural policy creates problems in the markets, and where a disequilibrium has arisen. This goes in particular for the milk sector, and here we are ready to tackle the problems, and to find a way of restoring market equilibrium.

Of course, everyone realizes that supplies are necessary, urgently necessary, in the present-day situation for bridging the time-gap before the developing countries are in a position to take care of their own food production themselves. But when there are growing surpluses on these markets, then we must be concerned, and this is the reason why we are ready to take part in the work of eliminating these imbalances. Our proposals in this area are that we should in future proceed with a cautious price policy, and that we should be prepared to help restore this market to equilibrium by means of the co-responsibility levy in this sector, a participation by producers. We want to see the measures hitherto adopted — reducing the number of cows, expansion of consumption — to be financed by this co-responsibility levy, and here too we should appeal to the Council to make this possible. Finally we take the view — and this is a difficult question, but we cannot avoid it — that at this point in time it is necessary to begin considering how investment which would lead to increases in production in the milk sector can be withdrawn, indeed how it can be eliminated in every country of the European Community, except in areas suffering from natural disadvantages or in areas which must be supported on environmental grounds. But we must stop producers fighting production battles in the individual countries in the milk sector of all sectors, in the effort to take markets away from each other.

The third measure which we must take : we must find a way of putting the brake on the unlimited import of substitute products, so as to restrict the area of production and thus come closer to market equilibrium.

Having put forward these proposals in this special sector, however, I should like very particularly to warn people against a fallacy, against the fallacy of believing that more resources could be set free for other areas of policy by dismantling the agricultural policy in the cause of making progress in the European sphere. I am absolutely convinced that progress can only be made with the development of Europe, if we succeed in maintaining our urgently necessary common agricultural policy, which has been both the pillar and the gateway of the European Community, if we succeed in restoring market equilibrium within it, in particular in the milk sector, and above all then succeed in expanding the other policies which we need by means of increased allocations of resources and the transfer

of responsibilities. Only in this way do I see any chance of pushing ahead with the development of Europe, and I call on this directly-elected Parliament to fight passionately for the enlargement of the allocation to the budget.

(Applause)

President. — I call Mr Maher.

Mr Maher. — Mr President, yesterday I sat and listened to a long debate on the budget and I must confess that I heard a great deal of fallacies being pronounced around this House. I am beginning to get concerned about the European Parliament already. I am beginning to wonder how seriously we are going to be taken in future by the other Institutions of the Community, by the Council, the Commission or indeed, finally, Mr President, by the people who elected us, unless we are prepared to be factual and to understand clearly what we are talking about.

For instance yesterday I heard over and over again simplistic comparisons being made between the policy on agriculture and the social policy, the regional policy and other policies. I would suggest, Mr President, that the people who are making these simplistic comparisons, study the situation before they speak again, and be clear that we are not comparing like with like. We do not have any other policy equivalent to the agricultural policy within the Community at this time. We are not centrally funding the other policies, but we are funding the agricultural policy from a central base. And that makes all the difference. So when we compare monies going into the farm policy and monies going into regional development, social policies or energy policy, we are not in fact doing our sums right. And I think it is important to get that absolutely clear from the beginning.

Another fallacy, Mr President, that I must draw attention to is this : a lot of attention is naturally focused on the agricultural policy because that is where the central funds are being utilized ; but this money is being spent and the farmers are getting all the benefits. But let us be clear here as well. We are confusing the farming community with agriculture as a whole. In my country, for instance, Mr President, 45 % of the total workforce is employed in . . .

President. — You have come to the end of your speaking time.

Mr Maher. — Mr President, I understood that I had five minutes.

President. — You had one minute of your group's speaking time left.

Mr Maher. — Mr President, I sat through the whole debate yesterday. I protested at the length of time the speakers were taking. I was assured I would be granted time today, and I must protest again, Mr President,

Maher

that one minute is of no value to anybody! It is quite unfair when other people get 15 minutes to speak.

President. — I call Mr Kirk.

Mr Kirk. — *(DK)* Mr President, if this directly-elected Parliament is to have an influence on the future of Europe and on the future of the European Community, it is very important that we should be prepared to bring a sense of responsibility to our consideration of this budget which has been put before us. The fact that this Parliament is directly-elected and represents the taxpayers in our member countries, and the fact that the budget revenues are gradually moving towards the position where in a few years they will not cover expenditure, make us see this budget with other eyes than those through which the old Parliament would have seen it. We are forced to look at this budget with the eyes of the Community, and to stop looking at it with national interest in mind.

I come from a country which derives great economic advantage from the agricultural policy being conducted here in the Community, and if I were to look at the budget from a national point of view, I should say: by all means let these surplus stocks continue, as long as they can also supply a surplus for the Danish exchequer. That is how I would react as a Danish representative, but that is how I cannot react as a responsible Member of this Parliament. On the contrary, it is Parliament's job to work towards the creation of an agricultural policy which can operate effectively without giving rise to surplus stocks. We must help to remedy this burden on the budget, at the same time as ensuring a well-balanced policy towards farmers in the Community without respect to nationality.

At the present time Western Europe is in an economic crisis. In all our countries people are hunting high and low for methods or areas, by or in which economies can be made in all public spending. Therefore there can be no sense in Parliament restricting its role to reinstating items of expenditure which the Council has excised from the Commission draft. That is unfortunately what several speakers, both yesterday and today, have talked about. There can be no sense in our regarding the Community's resources as manna which falls from heaven, or believing that this can be a matter of grabbing as much for oneself as possible. It is, and remains, the European taxpayer who has to pay. It cannot be our job to see that our countries get their fingers deepest into the barrel. That is something which I think Parliament should let the Council of Ministers fight over. It is our job to see that the money is used responsibly and reasonably.

As I said, we must first and foremost work to get a balance in the agricultural policy, but we shall not get this balance merely by increasing the appropriations

for the Regional Fund or the Social Fund, as several speakers have advocated.

Easily the greatest part of the Regional Fund simply goes towards financing national policy, and the recipient of the aid often does not suspect that it is the Community which is really paying it out. We must ask ourselves whether such expenditure has any justification, whether it does not just go to help create further administrative machinery. If we take the Social Fund, for example, in many cases we find aid arrangements for every possible kind of extraordinary project. In my country, for example, we have seen aid to projects, the purpose of which was the destruction of existing society. We have seen aid given to the construction of moped racetracks in Copenhagen. I am sure that many members will be able to find corresponding examples in their own member countries. We must put a great question mark against whether many of the grants which are given have any justification whatever.

I think it must also be Parliament's task to see whether the whole Community administration could not be made more effective, and whether many of the meetings which are held all over the place cannot be cut out so that we can make economies in our resources.

Finally I would like to say that if we want to sell the European idea which we have come here to fight for, this must be by not increasing budget expenditure. We must make sure that the citizens who live in our member countries do not get the impression that the only thing we sit and administrate down here is money which comes from their taxes. If we want to keep our credibility with the electors we must see that the budget procedure is done in such a way that it does not develop into a national dogfight with everyone trying to grab as much as possible for himself. We can only create understanding in this respect for European cooperation if the citizens of Europe can see that we, as their representatives, are making sure that the Community's money is being used sensibly and effectively.

(Applause)

President. — I call Mr Petronio.

Mr Petronio. — *(I)* Mr President, I should like to use the minute which has been granted to me to thank Mr Rogers who presided over our sitting yesterday, and who, taking into account a little technical incident which occurred with the microphone, was good enough to see that I would be able to enjoy the small amount of time which I had accidentally cut off. However, I do not intend to use it all, but rather to conclude without further ado — not least because I remember that when I was a young man starting out as a journalist I was taught that what went at the end of speeches or of articles should always be the least

Petronio

important points, so that the compositor could easily cut them out to help him fit the lead into the page. Therefore my planned conclusion was slightly emphatic, or even rhetorical. I shall dispense with it because all the substance was in the first part.

(Applause)

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — I was rather sorry about your ruling on Mr Maher because I thought that his speech — or as much of it as we were allowed to hear — was one of the most practical and sensible I heard during this debate.

(Applause)

At best, to appear this morning is rather like being invited to speak at an overflow meeting after the people you want to talk to have gone home. But we can rectify that to some extent here. What we say is recorded, and we can see to it — or somebody can — that the points we make are drawn to the attention of the people who matter; and, Mr President, there is something that you can do — and I know you would wish to do it — for those of us who have been turned into second-class citizens in this debate; you can make it your personal responsibility to see that the Council does take into account what is said this morning, even though the big guns are not sitting on the front benches to give the debate the prestige that it would normally have.

The contribution I want to make to this debate is a much weightier one than I could make as an individual. I want to draw the attention of Parliament to the report of the Commission to the Council. I want to beg both Members of the Council and Members of this Parliament to read the impartial report from the Commission to the Council (COM (79) 462). This document, with no national axe to grind, confirms the view expressed so well by Mr Dankert yesterday that, as things stand at present, the situation is not fair to Britain — and in making that point I do not make it in any nationalistic sense. I believe it is vital that we should amend things to make them fair for Britain, because this European project, this great ideal, will not work if one of the most significant members of it is put in a position of absolute unfairness by the operation of the Treaty of Rome. I believe that we must, from now on, try to operate on the facts as they are presented from impartial sources and not to ride our particular hobby horses.

I turn now to that document, which I urge all of you to read, and which I urge the Council to take into account. There are three nations that have laboured under some disadvantages, the United Kingdom, Ireland and Italy. On page 17, this impartial report to the Council states:

There is thus a reduction in payments by Italy to the receipts side of the budget of about 350m EUA. On the expenditure side, Italy is expected to benefit from a series of improvements ...

I am glad for Italy — the best of luck to Italy! I hope the Council will take into account the evidence that brought that about and improve upon it.

I turn now to page 19, and what it says about Ireland:

Ireland's share of Community expenditure is forecast at 3.6% in 1979, 3.8% in 1980 compared with forecast receipts from Ireland of 0.75% and 0.90%. Her share of Community gross national product is forecast at 0.67%. Thus, although her share in financing is rather above her GNP share, this is offset by her share in expenditure which is considerably higher.

Good for Ireland! I am glad for Ireland. I am glad that their problem has been taken into account.

But then I would ask you to turn to page 18 and to what this impartial, well-informed Commission report says to its masters and our masters — because that is what the Council of Ministers are — about Britain:

The share of the United Kingdom in the same categories of Community expenditure is forecast at 13.5% in 1979, and 10.3% in 1980, compared with a forecast share of financing the budget of 17.6% in 1979 and 20.50% in 1980. This compares with a share of Community GNP of about 16%, so that the United Kingdom's forecast percentage of expenditure is more than 2% below her GNP share in 1979, falling to more than 5% below in 1980. The reduction of the monetary compensatory amounts means that her share of expenditure from the budget will diminish in 1980, since increases in expenditure from other parts of the budget will not match the foreseeable decline in the monetary compensatory amounts. Moreover, from 1980 on, the cessation of the extra-budgetary payments in the context of Article 131, which amount to more than 400 m EUA in the forecast for 1979, will affect even more the budgetary situation of the United Kingdom.

President. — I must point out to you, Lord Harmar-Nicholls that the speaking time allocated to you in accordance with the decision taken has now been used up.

Lord Harmar-Nicholls. — I want Parliament to act on this report. It is in nobody's interest that one of your most significant member countries — on the evidence of the Commission itself, not of a nationalist report — should be labouring under this disadvantage, which I don't think any body wants and which, for the good of Europe, ought not to continue.

(Applause)

President. — I am sure that many Members of the Assembly will act on your advice and read the document in question, if they have not done so already.

I call Mr Lange:

Mr Lange, chairman of the Committee on Budgets. — (D) Mr President, at the end of this debate, permit me as chairman of the Committee on Budgets to make a few remarks on the further discussions which will take place.

I assume that both the Council and the Commission have taken note of the speeches of the various group spokesmen as they deserve. As far as I have understood these speeches, there seems to be a relatively general basic judgment on the Council draft, if I ignore various nuances and minor differences of a party political nature. This basic judgment is that the draft which the Council has forwarded to the Parliament — in so far as it relates to the further development of the Community — is completely inadequate, for the reason that the Council favours an imbalance to the advantage of agricultural expenditure which is not to our taste. This expenditure, as a number of speakers have expressly pointed out, is definitely important, but should not be allowed to absorb all the resources available to the Community in the next two years.

Somebody asked whether an increase in own resources had not become vital. You know exactly what that means. That means a ratification procedure — which might or might not succeed — since the Treaty would have to be amended. We must now look for other ways — and this will be the job of the Committee on Budgets and of Parliament — and for solutions which offer a better balance, without — and here I am repeating what another speaker has already pointed out with much force — changing agricultural expenditure, particularly price policy expenditure, in such a manner that the incomes of farmers, in particular small and medium farmers are affected.

We must, however, try to overcome the imbalance which exists in the agricultural budget. This is something else which has been pointed out today. As part of this effort — and this is something we have got to strive for — the Community, in relation to agricultural production and farm incomes, must take into account its relationship with the developing countries. I am convinced — and this is a personal opinion, not that of the Committee on Budgets — that we must not renege on our obligations towards the countries of the Third and the Fourth Worlds — in other words, the developing countries — and simply deny it. That will not do, for otherwise we in the industrial nations and in the Communities shall find ourselves in a situation where yet others are closing their markets to our products. What would then become of economic, indeed general relations between the countries of the Community and the rest I leave to everyone's imagination. I see it as my job as chairman of the Committee on Budgets to put this question in all its force.

A further observation. As I see it, taking into account what was discussed in conciliation with the Council

the week before last, what was considered in the Committee on Budgets, and what was basically said on behalf of the political groups here, the Council may be sure that we will try to arrive at reasonable solutions, with which we can all live, to the problems related to the further development of the Community: only, the Council itself must share this will. It cannot go on declaring how important Europe is to it, and then in reality do the opposite to whatever would promote integration. We must all be clear that there are a large number of political areas which we need to promote by means of financial appropriations. This is something we just cannot manage, even if the Community's appropriations neither do nor can reach the scale of those of national budgets in the corresponding national political spheres. Here what we need is intensified cooperation by the Member States with the Community to give Community resources maximum effect in this task.

More is involved here than just the agricultural policy, which originally was the pillar, the basis of the Community, but which the Council, if it goes on as it is at present, will virtually turn into a time-bomb under the Community. This is something we have to prevent at all costs.

One other observation: we have the conciliation procedure. We have let the Council know that it is not the sole master of the conciliation procedure, but that both sides — Parliament and Council — are masters of this conciliation procedure. The Council cannot therefore decide of its own accord what can be made subject to conciliation, if Parliament has sought conciliation, and it cannot simply reject Parliament. This will not do!

It will also lead to conflicts which we do not want, but which the Council, however, in certain circumstances provokes by its conduct. Here it must be made clear that the Parliament is completely willing to negotiate with the Council, so that we can reach solutions which will further promote integration in the Community. However, to reach such results in official conciliation, I repeat a proposal which I have made over and over again and which has been accepted by both other institutions, that an attempt should be made to prepare official conciliations by means of informal contacts between the three institutions so that no-one runs the risk of losing face. That is, however, the real fear of a proportion of the Members of the Council — that they will lose face in the eyes of their own people at home. Since, in the conciliations, even the Members of the Council have little room for manoeuvre in negotiation, the conditions must be created in the Council for it to be possible for the available room for negotiating manoeuvre to be exploited in advance so that the corresponding agreements can be reached in the official meetings.

Lange

I should also be very grateful if this proposal could be forwarded to the President-in-Office of the Council. I have the impression that the President-in-Office of the Council shows good-will. There can be no question about that, but one has to see the Council as a whole, and I know that there are varying tendencies within it.

Now my last point. Various Group spokesmen have already pointed out that direct elections have given this Parliament a new authority from the citizens of the Community, and that this Parliament has thereby acquired a new quality. Leaving aside various party political points that were made, I know that it was previously thought in all our countries that going to the polls on this occasion should lead to an opportunity for more democratic decision-making inside the Community. Given this, it is now up to the Council to take Parliament as seriously as it takes itself in this context. The Council, in other words, cannot treat Parliament as a negligible quantity. That will not do! It tried to do this several times with the indirectly-elected Parliament and saw what difficulties it caused to itself thereby. I can imagine that if it made similar attempts with the directly-elected Parliament, it would have even greater difficulties. For things which are perhaps still accepted in the national sphere from the Members of the Council — in other words, the representatives of the Governments in the Council — can in future no longer be accepted in the same way and will not be accepted from them either in their own national spheres or, beyond any doubt, by the European public.

To this extent therefore I think that as regards the budget discussions an attempt must be made by all sides, first to achieve a balance within the budget between agricultural policy and the financing of agricultural policy on the one hand — i.e. Guarantee Section — and the remaining tasks of the Community on the other hand — all other titles, chapters, etc.

The Council then, for its part, must also show the will to play the role of a political organ and not of a book-keeper. As regards the budget, as well as what Parliament in its indirect ...

President. — Could I very respectfully point out to you that the total time set aside for the budget debate has now been used up?

As chairman of the Committee on Budgets, you can naturally expect to be listened to with great attention by the whole Assembly, but I would also ask you to set an example in self discipline.

Mr Lange. — (*D*) I only wanted to add that under these circumstances the Council must be prepared to go some way to meeting the wishes of Parliament, and that this can only be for the good of the Community the peoples of the Community as a whole.

(*Applause*)

President. — The debate is closed. I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — It has been drawn to my attention that the document COM (79) 462 issued on 12 September, was not available for distribution. I merely want to ask you if you can use your influence before the main budget debate to see that this most recent and important document is available to Members of this Parliament so that they can know the facts upon which they are going to make their speeches.

(*Applause*)

President. — Your request will be complied with.

12. Criminal law provisions in the GDR

President. — The next item is the motion for a resolution (Doc. 1-280/79) by Mr van Aerssen, Mr Luster and Mr Penning, on Behalf of the Group of the European People's Party (C-D Group) on the new provision of criminal law in the German Democratic Republic.

I call Mrs Lenz to speak on behalf of the authors of the motion.

Mrs Lenz. — (*D*) Mr President and colleagues, like its predecessor before it, this House has set itself the task of acting as an unswerving guardian of human rights. And during our election campaign all of us referred to this time and again. As we have seen, as recently as in the last few days, the European Parliament has repeatedly condemned violations of human rights all over the world. In the name of my party, the European People's Party (Christian Democratic Group), on whose behalf I have the honour to address you today, I would ask you to regard this motion for a resolution as an enjoiner to fulfil this role of guardian.

This motion refers to the GDR, a part of my divided home country, which is linked in a number of ways, particularly in terms of human relationships, to the Federal Republic of Germany and which profits because of its special privileges to a very large extent from the European Communities. As of 1 August of this year, the GDR has drastically tightened up its criminal laws. By so doing it has violated yet again all the international and human rights agreements to which it was a party. I would like to quote a few brief examples to illustrate this. These are by no means propaganda, as was maintained in objections made when the motion was tabled.

While Article 27 of the Constitution of the GDR gives every-one the right to express his opinion freely and in public, and requires that no one be penalized for making use of this right, the new laws present a very different picture. What is worse, they are formu-

Lenz

lated in a manner totally unlike the clear laws of our countries so that the courts are free to interpret them in any way they please. On 3 August 1979 the *Arbeiderbladet* which appears in Oslo and which I am sure cannot be suspected of political bias, commented as follows :

They (the new paragraphs) represent political threats which have been issued because conditions in the GDR have become more difficult in recent years.

Elsewhere in its comments the *Arbeiderbladet* is even more critical. Some examples of the severer law are : any citizen of the GDR who disseminates or causes to be disseminated abroad information which is liable to damage the interests of the GDR can be punished with up to five years imprisonment or heavy fines. It is punishable to collect information detrimental to the interests of the GDR even where such information is not classified, or to send manuscripts abroad by circumventing official channels, which in fact means official approval. Writings, objects or symbolic representations which are critical of the prevailing social order can be punished with three years imprisonment.

Ladies and gentlemen, what does that mean in practice? It can mean that an old-age pensioner who complains that his pension is too small in a letter to the Federal Republic of Germany can be punished with up to three years imprisonment for casting aspersions on the German Democratic Republic. Massive fines have been imposed on writers and academics, one need only think of Stefan Heym and Professor Havemann. And this is only the beginning. These criminal laws can also apply to foreigners and even journalists. What has happened here to Basket 3 of the Helsinki Agreement we hear so much about?

(*Applause*)

It comes as no surprise therefore that the GDR celebrates the thirtieth anniversary of its existence by issuing an amnesty to open the gates of its prisons i.e. it has to open its prisons. Which country in the free world, which country in free Europe celebrates its thirty years of existence as a State by releasing 25 000 prisoners?

(*Applause*)

If press reports are to be believed it is not even certain that such people as Nico Hübner, the young man from Berlin who refused to perform military service, although there is no military service in Berlin because of it being under Allied control, or Rudolf Bahro, a committed Communist, who published a manuscript abroad containing criticism of the system, will be set free. We can only hope, and I would ask you as colleagues in the European Parliament for support, that this amnesty will really include these people.

For, ladies and gentlemen, the amnesty provisions in turn include a suitably vague provision which allow

them to be applied as the courts see fit, i.e. to exclude to crimes which are punished in order to implement the GDR's international agreements and other human rights obligations. Mr President and colleagues, this motion is simply an appeal to the foreign ministers of the Community to examine the actual position as regards human rights in a country bordering on the Community, to report to the European Parliament on this and to request Member States to take note of our opinion. I would therefore ask you on behalf of my party to support this motion.

(*Applause*)

President. — I call Mr Tyrrell to speak on behalf of the European Democratic Group.

Mr Tyrrell. — Mr President and colleagues, we in this House call ourselves the European Parliament and we are honoured to belong to such an institution. But let us not forget that this title, European Parliament, is an aspiration towards a future state of affairs this is not a Parliament of Europe, it is a Parliament of only part of Europe. We represent a large majority of the peoples of free Europe, but who can let us not forget the oppressed peoples who have no representation here, and who can have no representation here.

(*Applause*)

There are many in those lands who yearn for the freedom which we, in this Assembly, take for granted. This week, as we have been debating our own affairs, we have done so naturally: we have proposed many changes in the law, we have cast aspersions on many of our Western institutions, we have used quite hard language when speaking about one another's countries. These freedoms come naturally; it is only when these freedoms are not present that one realizes how precious they are.

Mr President, there is not one of us here today who would escape being branded a criminal if we were judged by the standards of the new criminal code of the German Democratic Republic, and as I look round at my colleagues here, ladies and gentlemen, and try to envisage you saying and doing what you have been so freely saying and doing this week, and then envisage you serving a sentence of three years' imprisonment, then the precious, valuable nature of this Parliament becomes apparent.

Why has this code been introduced? Why has it been introduced now? Let us not think that it was introduced for something to do. These powers have been taken to be used, and they are going to be used against people. There will be those who will suffer because these powers have been taken. Can it be that events in other parts of Europe — and one thinks

Tyrrell

particularly of Poland, where there is the scent of freedom in the air — have caused fear in the hearts of those who govern the Democratic German Republic? Are they apprehensive that those sentiments may find gathering support within their own territory, so that they are no longer able to control the aspirations of some of their people? These are thoughts which we at the end of this parliamentary week should be entertaining as we lift our eyes from the detail and the technicalities that we have been discussing all week, and I earnestly hope that this House will pass by a large majority the resolution which is before us. It may bring succour to the brave among the oppressed peoples, and it may sow caution in the hearts of those who govern them so that these powers are used sparingly.

(Applause)

President. — I call Mr Gouthier.

Mr Gouthier. — *(I)* We Italian Communists, in this Parliament and elsewhere, have always shown the wish to defend the rights of man and we have shown it in precise ways. Every time problems of this nature are presented to us, we try to go into the matter thoroughly without distorting the facts in any way.

It seems to us that this motion for a resolution has been formulated rather generally, and that it does not have a precise frame of reference. We know that the criminal law system of any State is one of the most distinctive manifestations of its sovereignty. This being the case, we might be in favour of the question being tackled in precise and detailed terms by the appropriate committee if it then also called on experts in the matter, as is said under point 2, in order to examine, amongst other things, the compatibility of these norms with international law. But I repeat, this motion for a resolution has been formulated too generally and too vaguely, and lends itself to a distorted interpretation. For this reason we shall vote against it.

President. — I call Mr Gabert.

Mr Gabert. — *(D)* Mr President, ladies and gentlemen, I too would like to begin my comments with a remark which I am sure no one in the Parliament will take exception to. The remark namely that human rights, the rights of freedom, are indivisible.

(Applause)

Anyone wishing to appear credible as a defender of human rights and freedoms must act with the same level of commitment wherever human rights are being violated. It is on this basis that my colleagues and I wish to express our concern at the recent legislative developments in the GDR. These developments are hindering inter-personal relationships, they are

hampering the flow of information, they are hindering journalists in their work. At the same time we know — and this deeply saddens me because we in this House have rightly criticized time and again violations of human rights all over the world — that while these resolutions represent a spur to action and a moral appeal, I fear that we are unfortunately in the final analysis able to change very little. This is the problem which I see in this case, and nonetheless I am of the opinion that the European Parliament must express its opinion on this matter.

The recent changes in the criminal laws of the GDR represent a clear violation of Basket 3 of the Helsinki Agreement. The legal provisions previously enforced were already extremely complex and open to wide interpretation. For example, Mr Bahro whose case has already been mentioned, was sentenced according to paragraph 98 of the old version for collecting information. Such activities have now been made punishable to a far greater extent by the changes to the criminal code. Let me emphasize that it remains to be seen how the amnesty which has been announced will be put into force and which prisoners will be included in this amnesty. No reference is made in the amnesty to what are known as political prisoners. One criteria will be whether just such people as Mr Bahro and others who have similarly been sentenced unjustly will be included in the amnesty.

Ladies and gentlemen, I do not wish to go into the provisions which have already been mentioned in any more detail. Allow me however to remark that I also regard them just as critically. I should like to make a further general remark. I have the impression that these measures are intended to make it even more difficult for the citizen to freely express his opinion, and I can only pose the question as to how weak such a government and such a State party must be?

(Applause)

Ladies and gentlemen, I would like to conclude my brief remarks by saying that I can only hope that this appeal from our Parliament, which I am sure will find a majority, will not be without effect, and that the Foreign Ministers and the Council will examine which international agreements have in fact been violated. I believe however that at least something has been achieved if the moral appeal has its effect and as a result ensures that the citizens in this part of the world who are now under even greater pressure can count on the solidarity of those who are able to express their opinions freely.

(Loud applause)

President. — I call Mr Lomas.

Mr Lomas. — Mr President, I shall vote against this motion, and I shall do so for the following reasons.

Lomas

I am not opposed to any attempt to win more human rights and more freedom for people, whichever country in the world they may be in, whether it is in Eastern Europe, Western Europe or anywhere else, and I should like to make my position on that quite clear. However, this resolution is really quite illogical in its wording, because in paragraph 2 it calls on the Foreign Ministers of the Member States to consider whether the legal provisions introduced in the GDR are compatible with international law. In other words, there is some doubt in the minds of the people who have tabled the motion, because they have asked the Foreign Ministers to examine whether there is, in fact, a conflict in respect of these provisions. In the preceding sentence they deplore the criminal legislation. Having asked therefore for an investigation, they already preempt it by deploring the introduction of this particular legislation. That is my first point.

The second point is that I have to confess that I have not read this particular criminal law which was introduced a month ago. I assume that everybody else in this Chamber has a copy of it and has read it. I assume that Members know exactly what they are voting on and that this is the reason they can speak with such conviction. I have to confess that I have not read it, and therefore I shall not vote to condemn something that I have not yet had the opportunity of seeing.

However, I would like to repeat the point I made at the beginning. In whatever country human rights are attacked, whether it is in East or West Germany, whether it is the *Berufsverbot* in West Germany or interference with human rights in East Germany, or whether it is my own country where we have been found guilty of torturing people in Northern Ireland, wherever that happens I shall oppose it. I will not however, support this motion for the reasons I have stated.

President. — I call Mr Almirante.

Mr Almirante. — (I) Mr President, colleagues, I have asked to speak only in order to express very briefly my total support and my esteem as a representative of the Italian National Right, as a European and as a free man for my German colleagues who have put forward this motion for a resolution.

Permit me to point out the political importance of the Italian Communists voting against this motion for a resolution. As a representative of a party engaged in a harsh struggle against Communism in Italy, I have the right and the duty to emphasize the political importance of this, because the 'no' of the representatives of the Italian Communist Party to this motion for a resolution shows how deceptive were the pleasing sentiments on the theme of freedom uttered by Mr Belinquer at the beginning of the work of the European Parliament.

Allow me in conclusion to express the wish that free Europe, if it does not succeed in knocking down physically the Berlin Wall — the wall of shame — might at least succeed in knocking it down morally, politically and civilly.

President. — I call Mr Pürsten.

Mr Pürsten. — (D) Mr President, ladies and gentlemen, I would first like to express my warm thanks to my British colleague for supporting us in this matter, and also for the clear statement that this Parliament's responsibilities extend far beyond those States represented here today. The Protestant Church in Germany sent us into the European Elections with the slogan 'Europe extends beyond the Elbe'. I would reply to my colleagues in the Socialist Party that if we discuss Argentina then we cannot ignore our fellow countrymen; I believe that we all agree on this. Let me say to the gentlemen in the Communist Party that we are not dealing here with a general question but, I am sad to say, with a very specific and very depressing situation. Let me add something else; you may not be familiar with the text, and it may not accord with your rules of logic, but you know just as well as we do, that at this very moment human rights are being trampled underfoot in that country, which means that such a statement is no longer necessary.

I should also like to thank my Italian colleague for his support, but also express the hope that you will display a similar commitment to defend human rights if they are being violated in Fascist countries because, ladies and gentlemen, I agree with you on this point, human rights are indeed indivisible.

I am of the opinion that we are speaking and must speak for those who cannot speak for themselves, as is currently the case in the GDR. We cannot make any distinction in our criticism between right wing and left wing systems according to inclination, and thus make a difference in the types of oppressor, if we wish the Parliament to remain credible. Current events in the GDR, which have been strongly criticized once again recently by the Dutch section of Amnesty International, represent an attempt to impose a wall of silence on this country, in addition to the wall which already exists, a wall of barbed wire, bricks and mines. It is for this reason that we must speak, it is for this reason that this Parliament must speak. There is no justification for imprisoning a person for five years just for criticizing a system. We simply cannot accept this.

Ladies and gentlemen, what sort of system is it that erects a wall around human beings, that has to force people to toe the line by means of such stringent laws? I appeal to this Parliament: unless it wishes to betray itself, its function and its democratic mandate, then it must direct an impassioned appeal to those

Pürsten

who are in a position to change the conditions which prevail.

One further point: you may think that we here can do nothing and that we have no power to change anything. I come from this country and I know how the people living there pay very close attention when someone in the world outside speaks on their behalf, and I will always be at their side whenever it is a question of defending human rights anywhere in the world.

(Applause)

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission. — Mr President, the motion is addressed to the Foreign Ministers meeting in political cooperation and it is not for the Commission to comment. Nevertheless, Mr President you have seen fit to authorize me to do so and I am glad of this opportunity.

Unlike Mr Lomas, we have in fact read the law of 28 June 1979. We have noted that article 99 allows anyone disseminating information abroad, even non-classified information, to be punished with between 2 to 12 years of imprisonment; that Article 106 provides for a punishment of 1 to 8 years imprisonment for anyone criticizing the social structure or alliances of the GDR; that a further article provides for a punishment of up to 2 years imprisonment for a national of the GDR who does not return from a journey abroad.

These, as you will see, are legal provisions which represent a formidable tool in the service of an arbitrary power, which is quite clearly directed against intellectuals, in particular against those who have had the opportunity of becoming familiar with our system based on freedom.

I would therefore ask you, Mr President, to allow the Commission to add its voice to those which are expressing concern and outrage. The defence of human rights is indivisible. This has been said and we must all adhere to it.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

13: *Situation in Cambodia*

President. — The next item is the motion for a resolution (Doc. 1-320/79) by Mr Berkhouwer, on behalf of the Liberal and Democratic Group, on the situation in Cambodia.

I call Mr Berkhouwer.

Mr Berkhouwer. — (NL) Mr President, the next item on the agenda is an extension of what was discussed earlier this morning, namely the violation of human rights.

Allow me to begin by saying how much I welcome the fact that a consensus is starting to emerge in our Assembly on the need to express our indignation at the violation of human rights without distinction as to the place where it occurs or the governments which perpetrate it. It is a common characteristic of these regimes, be they of the left or the right, in Asia, Africa, Latin America or anywhere else, that under pain of severe physical punishment, one is obliged to keep silent. My political colleagues are therefore pleased to see that our Assembly is becoming less and less discriminatory in expressing its indignation, an approach which we Liberals have always resisted.

The world has recently been freed of a number of barbaric tyrants and here I am thinking of Idi Amin, Somoza, Macias and Bokassa.

However, all the while in Cambodia, genocide has been practised on a scale unparalleled since the last war and the extermination camps of Auschwitz etc. Despite the bamboo curtain around Cambodia, it has been established that of this traditionally peace-loving people of 5 to 6 million, half has been exterminated by a tyrannical regime. When there were no more oxen to till the land, human beings had to pull the plough until they collapsed and died.

I shall spare you further details of the dreadful crimes committed against humanity. But what disturbs us most is that the free world has simply stood by idly while almost 3 million people have perished.

Who at the United Nations lodged a complaint against this genocide, against the crimes against humanity? After all, international crime has been governed by international penal law ever since the Nuremberg trials.

The UN spends all its time arguing about which is the legal government in Phnom Penh, while there is the threat of a new invasion by Vietnam to wipe out the last traces of the Khmers Rouges.

I should like now to quote from a French newspaper which I have a high respect for, and which calls on us quite clearly to face up to our responsibilities. It states:

All of us, whether as individuals, nations, the media, or as States of East or West, must realize that we are allowing what is left of the Khmer people to die by the hundreds of thousands, if not by the millions. There can be no more urgent task than to bring them aid.

That, Mr President, is why my colleagues and I have taken the initiative which we are now discussing. So far there have only been verbal protests. What we are asking for is that something should now be done, that we should undertake joint action to save those people who are still alive from dying of starvation, as they surely will if we do not do something at once, if we do not succeed in over-riding the two regimes that appear to be in control in Cambodia, and get a massive air-lift through to Phnom Penh airport with

Berkhower

foodstuffs for these starving people who are about to die.

Is it not shameful — I am confident that I can say so without exaggeration — that, at a time when the Community's storage warehouses are packed to bursting with meat and milk powder and other surplus foodstuffs, several million people should be on the point of dying of hunger? Fortunately the latest reports give us some hope that something will be done through the Red Cross or Unicef. I am especially pleased that Mr Cheysson has told me that he will be able to make an encouraging statement. I shall listen to it with great satisfaction. I hope, therefore, that we shall be able to reach a consensus between Commission and Parliament to the effect that something will be done without delay along the lines proposed in our motion for a resolution.

(Applause)

IN THE CHAIR : MR VONDELING

Vice-President

President. — I call Mr Cheysson.

Mr Cheysson, Member of the Commission. — Mr President, from the very beginning of his motion for a resolution the honourable gentleman expresses his dismay at the course of events in Cambodia. Indeed, how can one be anything other than dismayed and horrified when one is constantly receiving the most detailed accounts of one of the most terrible and most incomprehensible dramas of history? This drawn-out genocide, now followed by a period of the slow death of a nation behind impenetrable barriers, is one of the great dramas not only of this century but of the whole of history.

Paragraph 1 of the motion which you have before you is addressed to the Foreign Ministers meeting in political cooperation. They will allow me — in any event their silence permits me to recall the meeting which took place on 11 September at which, when dealing with the political problems of Cambodia, they expressed with the utmost solemnity their deepfelt distress. They stated their conviction that a solution could only be found within the wider context of the political situation in Indo-China. They stated that the solution would have to be based on an independent Cambodia with a truly representative government, free from any foreign military presence, enjoying friendly relations with all the countries in the region, and concluded that the solution of this immense problem was essential to peace and stability in South-East Asia as a whole.

Let us return now to these people who are experiencing unspeakable suffering, who, it is said, can no

longer even stir themselves to protest or try to survive. The urgency of the situation is overwhelming as the motion says. The Nine noted this on 11th September.

We already have programmes under way where it is possible to reach the Cambodians. In Thailand there is a programme for 4 500 tonnes of cereal which are being distributed by the United Nations High Commissioner for Refugees and in Vietnam where funds have recently been made available for an even larger programme which is also to be used by the same High Commission for Cambodian refugees. But where they have not fled from their native country, what can be done?

It is to the credit of the Community that even in Geneva it was the one to insist that when discussing the boat and land people, reference we made to those Cambodians incarcerated in their suffering, in their lingering death. The resolutions took this into account. We immediately voted funds of 4 million EUA, and Parliament graciously consented on 25 July of this year to special measures being taken to make these funds immediately available.

We then searched desperately for ways to gain access to these unfortunate individuals because we do not intend to hand these funds over to any of the regimes currently sharing power in Cambodia. These monies are not intended to promote barbarism. But how can we reach them?

I myself have had discussions with the heads of the Red Cross and all my colleagues have discussed the matter with Unicef and the FAO. Until now, the only amounts of food available which have been sent to Cambodia have come from us. As yet these have been very limited. On two occasions ten tonnes of powdered milk have been sent which arrived at Phnom Phen on 25 August and 6 September as special air freight paid for by us and organized by the Cross; ten tonnes of powdered milk via *Médecins sans frontières*; 245 000 EUA used for food for children by Oxfam. All this came from us, but it is very little in terms of the funds at our disposal. At this point I must report and solemnly condemn, the refusal of those ruling, by right or by might, in Cambodia to allow non-government organizations, even those as non-contentious as the Red Cross, to have genuine access to the suffering and to those who are dying. This is the real problem!

The problem, Mr Berkhower, is not a lack of available resources; we have funds, and I am sure that the governments would be prepared to increase these. But we must be able to reach the unfortunate people concerned. And how is this to be done? The first Red Cross mission was a catastrophe. They were granted two hours of talks with an official in Phnom Phen having been taken there in a sealed car, who took them back immediately in the same car.

Cheysson

Finally, a few days ago, the Vietnamese authorities, as they must be termed, accepted that the Red Cross be allowed to appoint six representatives — six for the whole of Cambodia! — and could begin to enjoy a little freedom of action.

You have seen the communiqué which was published: I am pleased that the Parliament is first to receive the news that yesterday, Thursday 27 September, we convened a meeting in Brussels of all the organizations which have the chance of being able to work in Cambodia: the Red Cross, Unicef, FAO, *Médecins sans frontières*, Oxfam, Catholic Relief Service, World Council of Churches, *Comité médical français*, *Comité catholique*, *Secours populaire*. Together we drew up an emergency programme taking into account the needs and opportunities for distribution.

This programme provides 23 million dollars, I regret that we chose a currency which is sinking in value so rapidly, and covers the next three months. We have acted, if you will forgive me, before even having your authorization or that of the Council of Ministers to commit the Community within this programme to providing seven million dollars, namely the four million units of account which are currently in our budget and one and a half million dollars in food aid. The FAO was able to commit itself to providing a further four million dollars. We are counting on the others to make up the difference and we shall have to continue beyond the three months.

We committed ourselves, without authorization, which we are requesting by telex from the governments of the Member States, so that the first Red Cross flight which will be financed by us in full could take place on 4 October and the second flight on 11 October. This is no major event in terms of the suffering involved, but it shows the point which we have reached on the course charted by this assembly since its very first meeting. I believe that it will always be a source of pride for this newly-elected Parliament that the first subject to which it turned its attention after the election of its President and the opening addresses was: How can we help these unfortunate individuals who are on the verge of death?

(Applause)

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

Mr Penders. — (NL) Mr President, after the July debate on the situation in Indochina and particularly with respect to the Vietnamese 'boat people', we are now having to discuss that area once again. Why? Not only because we are faced with the violation of democracy and human rights in general but because

in Cambodia it is the most basic right of the population, i.e. the right to life itself, which is at stake.

With its motion for a resolution, the Liberal Group will be only too pleased to give its support to the EPP Group. The motion refers to two lines of action we must pursue: political action to put an end to the genocide and humanitarian action to get food and medical aid to the population. It is perfectly true, that endeavours are being made to undertake such action through the channel of the United Nations. Thanks to its status as a world organization, the United Nations is the organization best placed to undertake such action in both the political and humanitarian fields.

And it is precisely for this reason that I find it so deplorable that the United Nations General Assembly should have decided to assign the UN seat to the Pol Pot regime. The assessment made of the situation in the press suggests that the impending offensive by Vietnam and the Heng Samrin regime is a reaction to this, in my view, most regrettable decision by the General Assembly. It would have been much better if, in this respect, we had adopted the sensible line proposed by the Conference of Havana, i.e. by the non-aligned countries, who wanted to leave the Cambodian seat provisionally vacant. There is a danger that humanitarian aid will be hampered by the United Nations decision.

Moreover, it is also to be deplored that the nine countries of the Community failed to adopt a common position in this connection. Furthermore, I fully agree with Commissioner Cheysson that the most important and most difficult aspect of the problem is how aid is to be got to the people of Cambodia. I am not optimistic on this point, although the reports of the last few days do indicate some improvement. I greatly welcome the announcement made by the Commissioner, and I fully support the idea that the difficult task of getting aid to the population should be taken on by a number of private, non-governmental, non-profitmaking organizations which are at this very moment operating in Cambodia itself. In situations such as this, these are perhaps the only organizations which are really of any avail.

Why is this so? Well there is a good reason for it. They are the only organizations which have the local infrastructure needed in order to be effective. The Commission is right to have called on the services of these organizations. I welcome greatly this approach.

I hope that the Commission will ensure — and I am convinced that it will — that aid is channelled only through those organizations which can offer the promise of an on-the-spot infrastructure. And secondly I hope that an attempt will be made to distribute the aid among all the people of Cambodia irrespective of which regime they are suffering under.

Pender

One final comment Mr President — when aid is granted, it is generally a good thing to take initial precautions to ensure, and even to seek guarantees to that effect, that the aid genuinely reaches the people affected. Generally speaking, this is an excellent starting point. However, in this case, the situation is so serious that this approach will have to be combined with a great deal of flexibility. I would rather run the risk of part of the aid reaching the wrong authorities than waste the chance of saving human lives.

President. — I call Lady Elles to speak on behalf of the European Democratic Group.

Lady Elles. — Mr President, we support most warmly the motion introduced by Mr Berkhouwer and express our feelings of outrage, both in the group and in the United Kingdom as a whole, at what is happening and has been happening in Cambodia.

We have seen on television in our country — and undoubtedly this has been shown in other Member States of the Community — the results of genocide over the last few years in Cambodia; we have seen how suffering has been brought there on a massive scale, unknown in this decade in any other part of the world, not only as a result of the present regime in Cambodia but also, of course, of the Pol Pot regime, which we, in our wisdom, have seen fit to recognize as a regime fit to take its seat at the United Nations. In our opinion, both regimes have been behaving in a systematic way totally contrary to their obligations under the United Nations Charter, and I cannot accept that this forum, which has so often talked about human rights, should show such total disregard for the loss of human lives in the that part of the world.

Now Mr Cheysson has, I think, very clearly and honestly explained that a lot of the difficulty in getting aid through to the people of Cambodia has been for political reasons. We have masses of surplus food in this part of the world that we are willing to give them. We have available resources for bringing medical aid and clothing to these people, and the question is: how to get it there? I believe we shall have to take dramatic political action at the United Nations if we are to succeed in any way, not only in getting this aid to refugees from Cambodia, but in saving the lives of those who are still there.

I would like to refer to an article which was published in the Financial Times in the United Kingdom on Wednesday of this week. It states:

Western intelligence sources say that recently an average of two to three Soviet transport planes have been flying

daily into Siem Reap carrying troops and material from Vietnam, increasing considerably the Vietnamese troop presence, which in August was estimated to be 150 000.

Clearly, Mr President, this is a political matter, and I very much hope that the Nine will condemn totally the Vietnamese Government in the forum of the United Nations, in order to show that this is the source that is creating the trouble and so enable UNICEF and other United Nations' bodies to get the aid to the remaining population of Cambodia.

I would like to tell Cheysson through you, Mr President, that we will support him fully in any action he takes to ensure that food and clothing and medical supplies reach this population.

President. — I call Mrs Bonino to speak on behalf of the Group for the Technical Coordination and Defence of Groups and Non-attached Members.

Mrs Bonino. — (I) Mr President, colleagues, Mr Commissioner, I supported the request for urgent debate on this motion for a resolution because, as a political faction in Italy, and, it is hoped, soon also at a European level, we are committed to bringing to everyone's attention the problem of under-development, of world hunger and of people who die of starvation. Certainly in the poorer countries very often nature is hostile and adverse, but just as often man is worse than nature and manages to bring about more disasters than hurricanes or natural events. And we also think — precisely because we consider ourselves and are in fact of the Left — that the fact that it is regimes of the Right which are condemned, a very just and sacrosanct thing, should not become an alibi for avoiding commitment on the massacres brought about by civil wars against so-called governments of the Left, which certainly are no less serious than the others.

Mr Commissioner, I do not claim to be satisfied by the aid which the European Community intends to give, but I am absolutely convinced of the great difficulties we face in order to get this aid to its destination. I know, because some time ago I raised the problem with the Italian Parliament and government, that a genuine difficulty exists, and I think that we shall still find ourselves facing this. We need to find a way for the aid to reach the people. And it is my impression — indeed I am almost certain of it — that at times when there are political conflicts between two governments or in the case of civil war, the fact that millions of people die of hunger, of hardship or of lack of medicine becomes a matter of secondary importance.

Bonino

I believe rather that the saving of human life is not just an obligation and a moral duty for us, but also, above all, a political duty, and I maintain that our conscience — political or otherwise — absolutely cannot tolerate these massacres and bloodbaths.

However, I think Mr Commissioner, and I agree with you on the choice for the moment of the Red Cross and non-governmental organisms which are therefore as neutral as possible that we should make an effort to find some new way or instrument which is more effective. I know that perhaps because of the urgency nothing else was possible. However, in my opinion we cannot merely be satisfied with what we have done. The Community is the first to send aid, and this I think means a great deal. But there are other problems like this, like that of Nicaragua and still others. In my opinion the saving of human life cannot be a matter of politics for anyone. One may condemn the government but the people, where ever they live and under whatever government, certainly have the right to continue to live. We may censure governments certainly, but we cannot shrug off the obligation to help people to survive.

As well as the specific problems Mr Commissioner, we should discuss the wider problems of general under-development, and death by starvation of millions of people through man-made or natural events. We propose to this Assembly that in its next part-session in October a debate should be held on the problem of people who die of starvation, since we consider this an important matter. It is certainly a matter of satisfaction to us to begin straightaway with a gesture which is concrete rather than symbolic.

Mr Commission, we shall certainly support any other steps taken at a political level, such as an urgent political appeal for the end to the civil war and the terrible genocide in that country.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

14. *Organization of debates*

President. — I would ask honourable Members who wish to speak on other items to put their names on the list of speakers now. I proposed to close the list in five minutes.

Are there any objections?

That is agreed.

15. *Repression in Argentina*

President. — The next item is the motion for a resolution (Doc. 1-328/79/rev. III) by Mr Sarre, Mr Didò, Mr Jaquet, Mr Schwartzberg, Mrs Charzat, Mr Lezzi,

Mr Pelikan, Mr Zagari, Mr Ruffolo, Mr Ripa di Meana, on behalf of the Socialist Group, and Lord Bethell and Mr Prag, on the condemnation of repression in Argentina.

I call Mr Sarre.

Mr Sarre. — (*F*) Mr President, ladies and gentlemen, let me begin by recording a few facts.

Following a successful military *coup d'état* by the extreme right wing, Argentina has been ruled by General Videla. Since the military junta came to power we have witnessed and are continuing to witness the development of state terrorism. We are learning with horror from the press, as the various items of news reach us, of the existence of execution squads and abductions, which are increasingly taking place. These are directed against everyone, trade unionists, (Roberto Garcia, Vice-President of the ICFTU is in prison), political militants, the normal opposition and even Members of humanitarian organizations. What is even worse, abductions are even directed against children; some have been handed back to their mothers dead. Also one might cite the case of two children, Eva Julia and Anatole Boris, abducted in Argentina and rediscovered in Chile. Their mother had been killed in 1976 at the time of a police raid and their father, a left-wing militant, is currently in prison not far from Montevideo, according to information received from clergymen.

Let me read to you ladies and gentlemen, this recent eye witness account by Mrs Vasquez de Ludy, who was set free as a result of energetic intervention by France.

My brother was seized at the factory where he works by armed men in civilian clothes. The following day a similar group appeared at my parents' home. They took me away and ill-treated me for several months, torturing me with electricity, beating me all over the body with truncheons and having me bitten by rats.

The facts which I have just recounted took place in the concentration camp of La Tablada.

How many have disappeared? In a communiqué published in London, Amnesty International estimates the number who have disappeared as 12 000; the *ligue française des droits de l'homme* estimates the number to be between 20 and 30 000. According to Sean McBride, the Nobel peace prize winner, 17 000 have disappeared. The international Committee of Jurists has recorded 27 lawyers murdered, 70 disappeared, 103 in prison and 200 exiled. The Inter-American Commission on Human Rights has concrete proof of 8 076 cases. I ask you to consider, ladies and gentlemen, in what kind of jails they are holding these people in chains, blinded, silenced, deprived of sleep and subject to terrible torture.

Sarre

On 22 August new measures were announced in Buenos Aires to come into effect on 15 September: anyone who, following an announcement in the press, does not turn up within a period of 90 days will be assumed to be deceased by the authorities. As General Viola, Commander-in-Chief of the land-based forces, cynically commented, they will be missing for all time.

How has the world reacted to these dramatic events? There has been talk of a final solution to the problem of political opponents. 'This is the prelude to collective legalized murder', commented the assistant bishop of Paris. Now should we ignore an appeal from some of the most eminent Latin-American intellectuals, including Julio Cortazar, the Argentinian writer, and Carlos Fuentes, the Mexican writer: the liquidation of those who have disappeared has already begun, the people of Argentina do not deserve to be isolated in this way. We must heed the warning given by those pleading on behalf of the people who have disappeared.

Ladies and gentleman, between 500 and 700 of the 20 000 people who have disappeared are still alive. Action must be taken. The voice of Europe must be heard. Fine resolutions are not enough. Europe cannot remain silent. In all ages and in all parts of the world, tyranny and dictatorships have owed their survival to the silence and culpable weakness of democratic states and sometimes of international institutions. This is what we must not allow to happen. We cannot desert the Argentinian people in their hour of need.

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

Mr Bersani. — (I) Mr President, honourable Members, we supported this motion for resolution from the time that the Socialist Group requested an urgent debate. In the name of my group, I should like to state today in the Assembly our total support for the aims and the intentions of this motion for a resolution.

A few months ago a delegation of Uruguayan exiles came here and wished to speak to a group of us who were members of different political groups and who presented a similar motion for a resolution at the time when a Socialist trade union official was condemned to death in that country. They came to thank us because, as a result of the debate which was held in our Assembly, the trade union official had been reprieved, and indeed had been freed.

Our debate therefore is not merely abstract, held as a matter of conscience, but is an action which can and must have precise political significance. We support this objective entirely, and our appraisal of the situa-

tion coincides with that of our colleagues in the Socialist Group.

The situation in Argentina is extremely serious; we must make our voice heard with all the strength and conviction possible in support of those democrats representing all groups and all kinds of social presence and action who are now threatened with death, kept in prison, exposed to torture and to those forms of repression which our Socialist colleagues spoke of just now and also for all the others threatened with a similar fate, if international solidarity, the voice of all free men, does not make itself heard with greater strength than in the past.

The evidence we all have is dramatic. We are told how very serious and urgent is the necessity to intervene. Commissioner Cheysson has just vigorously reminded us of how the cause of freedom, democracy and human rights is indivisible, and how in this great area of the world which is Latin America, we must commit ourselves far more, given also the historical links between this vast continent and ours. Something fundamental is happening in the whole of Latin America. We shall have to raise this again as soon as possible, because the situation in Latin America, its connections and relationships certainly require the forces of democracy in Europe to develop a coherent approach to promotion, development and true cooperation.

However, I repeat that we today fully share the political appraisal of the urgency and need for intervention on our part, and for a kind of action which brings its whole strength to bear on the situation in Argentina and brings to maturity those democratic developments which are the hope and the absolute conviction of all of us.

President. — I call Lord O'Hagan to speak on behalf of the European Democratic Group.

Lord O'Hagan. — Mr President, I feel that it is right that we should discuss, even on a Friday, these very sombre and serious subjects. It is quite correct that this Parliament should talk about Cambodia and Afghanistan and Argentina. The institutions of the Community are now completed. The Commission is the guardian of the Treaty itself, and now this House must and will, I hope, become the conscience of the peoples of the European Community. We must therefore look at the state of liberty round the world, particularly inside our own Community, because it is our duty to speak out when we feel that things are wrong. I would like to agree with Mrs Bonino when she said, if I got the translation right that there must be no question of ideology when the saving of human lives is under discussion.

Lord O'Hagan

However, I want to do something rather more difficult than standing up and making an appeal on behalf of those who are dying or starving or being tortured. That is easy, but what is difficult is for us to know what we, as a House, can do. And I wish to sound a general note of warning following on what Mr Berkhouwer said. We must not become a Parliament of selective indignation. We must not pick and choose for reasons of political preference. We must not, when we are considering suffering, make ideological judgments and then call upon the Community or Member States to break off relations with countries, when it may be, as we heard earlier on in the Cambodian debate, through the mechanism of international discussion and exchange of views that the suffering and the hunger can be relieved. So I am going to ask my friends — and no doubt Mr Prag will have his own view on this — to abstain on the Afghanistan motion and on this one also. I do so in order to warn this House that when we are looking at these great humanitarian questions — and it is right and proper that we should do so — we must be very careful that we are holding up the torch of liberty in a way that carries respect, because once we turn this Parliament into a protest mill, into a wallpaper factory producing merely ritual incantations of condemnation, then we have devalued the mandate given to us at the elections.

I say no more, Mr President. I respect the sincerity of those who speak in this and in the other debates. We all have our own consciences and our own hearts and our own political points of view, and we must respect those of others; but I sound this note of warning. Please be careful, dear colleagues, friends on all sides of the House, not to turn this Parliament into a protest mill.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) Mr President, as it has made clear on several occasions in the past, the Commission shares the views expressed here concerning the violation of human rights. As far as Argentina is concerned, a trade agreement had been concluded between the Community and Argentina before the dictatorship was in existence; since the dictatorship, i.e. for several years now, the cooperation between the Community and Argentina which had been provided for in the agreement, in particular the meeting of a joint committee, has been terminated and put into abeyance. We cannot and will not associate with representatives of this regime in such a joint committee. This will continue to be our position until such time as democracy and human rights have been restored.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

16. Situation in Afghanistan

President. — The next item is the motion for a resolution (Doc. 1-343/79) by Mr Habsburg, Mr Klepsch,

Mr Rumor, Mr Seitlinger, Mr Penders, Mr Nothomb, Mr Fischbach and Mr Ryan, on behalf of the Group of the European People's Party (C-D), on the situation in Afghanistan.

I call Mr Habsburg.

Mr Habsburg. — (D) Mr President, the issue has just been raised once again whether or not the European Parliament is the right place to pass resolutions on human rights. Unfortunately, I feel constrained to make a different assessment from that of my British colleagues. The fact is that it is precisely because Europe has throughout history been the focal point of human rights that it is our duty to point to the various violations of human rights in the world regardless of the regime concerned or the part of the world where they occur.

We have been right to refer to Cambodia and Argentina. However, I would point out that Afghanistan is in fact nearer to Europe than either Cambodia or Argentina, and it is precisely because history tells us that the Islamic countries have always had particularly close ties with us — after all the Mediterranean has throughout history hardly ever marked the southern boundary of Europe, but rather been a sort of central axis — that we should deal with these issues concerning the Islamic world, if anything, from a profound sense of duty.

Mr President, there is something else we should not forget. This country of Afghanistan — little known though it may be — has throughout history been known as the roof of the world, and during the 19th century experienced time and again how the world powers endeavoured to gain influence over it. Today it is clearly the hegemonistic Soviet Union which calls the tune in Kabul. The neutral President Daout was assassinated. Since then there have been representatives of a foreign power in Afghanistan such as Taraki and Hafisullah Amin, in which connection I would hasten to point out that in the last few days the press has reported in joyful tones that Taraki, who henceforth cannot be termed anything other than a bloody tyrant, has been deposed and replaced by a new man. I would merely inform the House that Mr Hafisullah Amin was the Chief of Police and head of the internal security service under Taraki and therefore precisely the person responsible for all that happened in the civil war in Afghanistan.

This is a clear case of oppression by totalitarian power, which has found particular expression in the persecution of the Islamic religious communities and the destruction of the tribal structures which are the national reality of Afghanistan.

Habsburg

I am glad to note that for the first time we have received some quite concrete information on the situation. Only last night, German television broadcast a major report on the liberated areas of Afghanistan which also showed to what extent real genocide is being carried out. I would also refer to the reports of the Red Cross in Pakistan and to the reports — which are doubtless completely reliable — of the Islamic League on the events which are taking place. At the last count, there were already 150 000 refugees in Afghanistan, and the figure has probably risen since then. The number of dead is in the thousands. Whole villages and camps have been destroyed by Afghanisthan pilots in Russian-built aircraft. I believe that in this situation Europe must speak out. And last but not least there is one more point I should like to raise: Many endeavours are now being made — and rightly so — to establish a new dialogue between Europe and the Islamic countries. All too often, this involves contacts with certain elements of the Islamic world who are not the ideal collocutors of a free Europe. However, in the case of Afghanistan we have the opportunity, without any ulterior motives concerning oil, since — perhaps fortunately for its population — there is no oil in Afghanistan, of demonstrating to these Islamic peoples that we are concerned about human beings, that to us the Islamic peoples are not — as we all too often say — first and foremost oil producers, but human beings like ourselves for whom we are responsible. I therefore believe I can support Mrs Bonino when she says that these debates on human rights are a test of the sincerity of individuals and their attitudes. I would therefore call on this House to make the moral voice of Europe heard also in this respect.

President. — I call Mr Janssen van Raay to speak on behalf of the Group of the European People's Party (C-D).

Mr Janssen van Raay. — *(NL)* Mr President, I wish to lend my full support to the words spoken by Mr Habsburg. I should like to make a comment in this connection. I would point out to my British colleague that, in my view, to abstain from voting on an issue such as this would not be understood. I believe that as the European Parliament, we must make a choice. Either we do not deal with matters of this nature at all, in which case they would not be included on the agenda, or they do appear on the agenda in which case we must then raise our voice in a non-discriminatory manner. I am very much afraid that if an important group such as that of the honourable Member were to abstain from voting, it would be misinterpreted by international public opinion.

I myself take the view that now that it has been directly elected for the first time, this European Parlia-

ment of ours, which is precisely the cradle of all these principles and rights, will, in the long term, have no choice but to raise its voice in a non-discriminatory manner. It must do so by means of resolutions which not only give expression to our principles but also, as in the case of the motion for a resolution tabled by Mr Habsburg and his colleagues, press for practical aid, and assistance in the war we must wage against oppression, persecution and military intervention by other states, be they of fascist, communist or any other inspiration. This is what matters.

I shall refrain from going any further. The issue has been adequately explained by Mr Habsburg. I would therefore call on the Members, and on my British colleague in particular, to support this motion and not to abstain from voting.

President. — I call Lord O'Hagan to speak on behalf of the European Democratic Group.

Lord O'Hagan. — Mr President, let me try a second time. This Parliament must of course, debate questions of human rights. Whenever we want to, we must ask for questions of human rights to be debated. As I said, we are now the conscience of the Community. We cannot neglect that duty to hold debates and make resolutions. We agree on that.

However, the resolutions on the Afghanistan question and the Argentinian question both oblige Members to vote for breaking off diplomatic relations with the governments concerned. Is it wise always in this Parliament to express our concern and anxiety by saying that we wish to break off relations with this, that or the other government? Sometimes it may be necessary, but I wished to sound a general warning. We cannot and should not always express our general and genuine humanitarian concerns by saying 'We will never speak to you, we will never deal with your government or send aid to your country, we will deprive your people of international cooperation because we feel that what you are doing is wrong'. Let us express our views, our dislike, our distrust, our hatred, if need be, of what is being done against human rights and in the name of injustice, but let us be careful. Let us not devalue this Parliament by calling for the breaking off of diplomatic relations and links and contacts with whoever we may feel is wrong at a particular time. That is the difference.

I don't want to take up any more time trying to make my view clear, but for the benefit of those who spoke previously in this debate I would reiterate that I speak, not from a lack of concern or from a lack of compassion, but merely from the wish that this Parliament should be practical, and carry out its humanitarian purposes in the best and most efficient manner.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) I wish merely to refer to the point in the motion where the Commission is called upon to release humanitarian, medical and food aid for refugees. The Commission is prepared to do so, just as it is in other cases.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

17. *Hurricanes David and Frederick*

President. — The next item is the joint debate on three motions for resolutions

- by Mr Vergès and Mr Denis, on behalf of the Communist and Allies Group, on emergency aid from the Community to the people of Martinique, Guadeloupe and Caribbean states ravaged by hurricanes David and Frederick (Doc. 1-283/79);
- by Mr Sablé, on behalf of the Liberal and Democratic Group, on Community aid for the Caribbean region devastated by hurricane David (Doc. 1-308/79);
- by Mr de la Malène, on behalf of the Group of European Progressive Democrats, on aid to the Caribbean islands devastated by hurricane David (Doc. 1-329/79).

I call Mr Vergès.

Mr Vergès. — (F) Mr President, honourable Members, the Assembly having decided unanimously at the start of this part-session to hold an urgent debate on aid from the European Community to the Caribbean countries devastated by the hurricanes David and Frederick, I shall confine myself to making a few comments on the nature of the problem.

The first is that it is perhaps difficult to imagine the scale of the damage which can be caused in under-developed countries by tropical cyclones involving hour-long gales of up to 200 or 250 km/hour, torrential rain, floods and tidal waves. In these agricultural countries, a large part of the harvests are destroyed. To take just one example, that of the banana crop, which is the main product of Martinique, 90 % of it has been destroyed. Add to this the damage caused to the sugar cane, pineapple plantation, staple food and market garden crops of the population and the result is the loss of 80 % of the annual agricultural and industrial output of Martinique.

The problem therefore arises of restoring production capacity and ensuring the survival of the poorest sections of the population in a country where unemployment is already very high. However, damage has also been caused to homes, and if certain official statis-

tics refer mainly to the damage caused to hotels and the consequences for tourism, it should not be forgotten that the way of life these countries is characterized by a precarious existence on the land and shantytowns around the urban conglomerations. It is in the housing field that the most devastating effect of cyclones is to be noted. The road network and other infrastructures in Martinique have also been severely affected, just as they have in Guadeloupe. However, all this, serious though it may be, cannot be compared to the utter catastrophe visited upon the neighbouring island of Dominica, whose agriculture has been totally destroyed, 80 % of whose capital has been laid waste and where scores of people have lost their lives.

My second comment is to point out that even if the damaged neighbouring countries have a different legal relationship with the Common Market — Martinique and Guadeloupe belong to the EEC whilst Dominica is an associated country and other countries are third countries — there must be no discrimination, and Parliament and the Community must express their solidarity equally with all these countries. Admittedly, emergency appropriations will, for obvious reasons of accountancy, be allocated to these countries under different budgetary headings but, in our view, such solidarity should at no time appear deliberately selective or differentiated. We cannot discriminate between the distressed, or classify them according to criteria which cannot be understood by neighbouring, closely-related countries. In short, solidarity is indivisible.

My third comment is to say that in view of the scale of the catastrophe there is, on the one hand, an urgent need to allocate funds immediately following the cyclone and, on the other, to plan longer-term measures to rebuild productive capacity itself. It is here that the EAGGF, the Regional Fund and the Social Fund will have to come into play. Even if, in our view, the current social and economic structures of these countries threaten to have a sterilizing effect on many efforts made in this direction. In fact, many of these countries are growth countries with no real development, since the growth, which is due to injections of foreign credit, masks their persistent agricultural and industrial under-development.

Lastly, we should like to see the budgetary appropriations set aside for emergency aid to countries affected by natural disasters increased in 1980, not only because the emergency allocations already undertaken under the 1979 budget will have to be amplified — one million units of account for Martinique and Guadeloupe, 300 000 for Dominica and one million units of account for third countries — but also because we are approaching the time of year when cyclones occur in the southwest Indian Ocean around Réunion, Mauritius and Madagascar. The effects of

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cyclones can be very severe in that area regardless of differences in the legal relationships between these countries and the Community — membership in the case of Réunion and association in the case of Mauritius and Madagascar.

Mr President, my dear colleagues, the discussion and vote in Parliament today and the measures which the Commission and the Council take will, under these circumstances, be of great significance to the victims of the Caribbean cyclones as well as to those who are threatened with the same fate in the Indian Ocean.

President. — I call Mr Sablé.

Mr Sablé. — (*F*) As reported in the press, cyclone David was one of the most devastating to have hit the Caribbean in the last hundred years. The group of experts who visited the scene of the tragedy the day after the disaster was able to assess the scale of the catastrophe suffered by the two French departments and their Caribbean neighbours. According to an initial appraisal of the situation in Martinique and Guadeloupe, there has been 800 million francs' worth of damage. I myself visited the scene and there are no words which can fully describe the desolation to be seen on these unfortunate islands. The populations concerned learnt with hope that, as a spontaneous expression of sympathy, the Community had decided to grant them emergency aid amounting to one million units of account for the outlying Community regions of Guadeloupe and Martinique, 300 000 units of account for Dominica, signatory of the Lomé Convention, and one million units of account for Santo Domingo and the other non-associated countries affected by this catastrophe. On their behalf I wish to pay a tribute to those in authority in Brussels who, thanks to their personal knowledge of our problems, swiftly took note of the seriousness of the situation. We now have to begin rebuilding our damaged economies, first and foremost in the agricultural sphere, which is based mainly on banana, sugar cane, pineapple, market garden, fruit and flower crops. Stock-farming and non-industrial fishing as well as the tourist industry have also been hard hit.

When natural disasters of this magnitude have occurred in the past, my dear colleagues, the Community has endeavoured both to supply immediate support for the population as a complement to the emergency appropriations allocated by the Commission and to devise an economic recovery programme based on the implementation of the respective European Funds. This is what happened for example in the case of the Friuli earthquake in May 1976, when a whole emergency system tailored to the particular circumstances was put into effect and financed in a manner fully satisfactory to the Italian government and to the Community itself. Provision must be made for our outlying and deprived regions to receive aid

from the EAGGF, the ERDF, the Social Fund and the European Investment Bank. However, the procedure for the implementation of such aid should be flexible, and deadlines should be shorter. The procedure should be based on the principles enumerated in the Hansen decision issued by the Court of Justice in Luxembourg on 10 October 1978. The almost total destruction of our agriculture, which is the mainstay of our economies, has made thousands of people workless as well as homeless, and as a result, unemployment has gone from the endemic to the catastrophic.

This is an unprecedented situation which makes a plan of action based on the immediate restoration of agricultural and productive activities and the reduction of structural imbalances indispensable. If traditional procedure were applied too mechanically, there is a danger that the actual goals might not be reached. This is why I would suggest that, once the overall amount of aids is decided, an emergency period should be set for the regions concerned during which a set of special files could be prepared particularly fast by specialists in tropical economies. An examination could also be made of the possibility of making over some resources in the form of interest subsidies for long-term loans at low interest rates and with a 3-year grace period for small-scale farmers already heavily in debt. Perhaps we should also take advantage of this painful opportunity in order to speed up the clearance of outstanding files and figures still being examined, such as those submitted by the Commission concerning aubergines from the West Indies and the solution of cases still pending before the European Funds. After all, a stitch in time saves nine.

Lastly, in exercising its solidarity, the Community should strive to improve its channels of information and communication in the overseas departments with the beneficiaries of the aid which it grants because our population as well as those of most regions of Europe have difficulty in grasping the real effect of Community decisions on their own affairs. For the sake of its own reputation, the Community should make known what it is doing in the most remote areas. Our work, my dear colleagues, is a subject of great interest not only in Europe but — on the eve of the signature of the Lomé Convention — throughout the world. It is very important that, in the misfortune which has befallen them our Caribbean departments, which from the point of view of the Treaty of Rome are to be seen as overseas extensions of Europe, should feel justified in their political choice.

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

Mr Estier. — (*F*) Mr President, I shall be brief, because the previous speakers have conveyed the scale of the disaster caused by hurricanes David and Frederick in some of the islands of the Caribbean, particu-

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larly Martinique, Guadeloupe, Dominica and St Martin, and others, including the Dominican Republic. In all cases the damage has been really terrible, with loss of life, tens of thousands rendered homeless, serious damage to the economy, especially to agriculture which constitutes, as has been said, these countries' main if not their only resource, and comprises sugar-cane, banana plantations, vegetables and fruit-trees, 80 % of which have been destroyed, notably in Martinique. This devastation has tragically aggravated the situation of the people concerned, who were already seriously underprivileged in regard to jobs, housing and their standard of living generally. The Community has allocated emergency aid totalling 2 300 000 units of account, 1 million of which is to go to Martinique and Guadeloupe, 300 000 to Dominica and another 1 million to the other states of the area not associated with the Community. This is a first step and we take note of it, but it is glaringly inadequate in view of the extent of the damage, all the more so since there is, as in all such cases, the problem of distributing the aid once it has been made available and seeing that it reaches the people concerned. Tens of thousands of men, women and children have to be rehoused with all possible speed, urgent measures must be taken to restore the plantations and to reconstruct — as in the case of Basse-Terre, in Guadeloupe, for example — the port installations used for exports.

First of all, then, the Community's aid has to be increased, by a special release of aid from the European funds for the French overseas departments, Martinique and Guadeloupe, but also aid for the associated and non-associated countries.

Secondly — I wish to stress this — it is essential to ensure that the procedure for distributing the aid is speeded up so that it is not handed out in dribs and drabs, which considerably reduces its usefulness but is what appears to be happening at present, from accounts I received only yesterday from Martinique.

It is in circumstances such as these that our Community can give concrete expression to its solidarity with the people of the world afflicted by misfortune, as is the case today with the people of the Caribbean. Therefore, like the speakers before me, I appeal on behalf of the Socialist Group to this House to express this solidarity unanimously and to you, Mr President, to convey the views of the House to the Commission and the Council, in the knowledge that they reflect the feelings of every Member here.

President. — I call Mr Cheysson.

Mr Cheysson, Member of the Commission. — (F) Mr President, as all the speakers and the authors of the motions have said, the two hurricanes which have devastated the Caribbean area have indeed, been catas-

trophic. Mr Vergès described the material damage very well: the destruction of infrastructure, crops entirely wiped out, even the means of harvesting perhaps destroyed; I am thinking of the banana plantations and the fruit and vegetable holdings and also the effect on other forms of production such as fishing which are vital to the people there. David did the most damage and Frederick came a few hours later and aggravated the position. The full impact was felt at the central point Dominica; things were very bad too in the French West Indies, and many other Caribbean islands, the Dominican Republic, Aruba, St Martin, which belongs to the Dutch West Indies, etc.

Five days later, the Community, on a proposal from the Commission was adopting the emergency measures already referred to, measures involving 2.3 million EUA. I want to address myself here straight away to the two authors of the resolutions and the spokesman of the Socialist Group; of course this amount is totally inadequate, but there has never been any suggestion to the contrary. It was a fast operation, an emergency operation. Let me say once again, five days after the first hurricane had struck, this money was available, at least for the Antilles and Dominica. In the Antilles, the money was paid immediately; we now know through the two *prefets* there that it was shared between Guadeloupe and Martinique for urgent work, in particular the restoration of means of production, such as fishing nets, etc. In Dominica, where we were able to act still more directly, our aid was put to immediate use: we purchased food in the neighbouring islands, Barbados especially, and this was distributed during the following days. We are having more difficulty in the case of countries which are not associated and which do not belong to the Community, because, for one thing, they did not immediately submit requests for aid and suggestions as to how it might be used, and, for another and this is more serious, the relevant appropriations in the budget had been used up. It is necessary to replenish them by a transfer from other chapters in our budget, and authorization has not yet been given by the second arm of the budgetary authority, namely this Parliament itself. May I request, Mr President, that this be done as soon as possible.

This, I repeat, was only an emergency operation. How to channel our aid thereafter is another, complex question; but obviously it is desirable to plan our action as carefully as possible. We decided just a short time ago, two days ago, to grant three million EUA to Dominica to restore infrastructure destroyed by the hurricane. In the Antilles my colleague, Mr Gundelach, Commissioner for agriculture, was immediately made responsible for coordinating all our future aid measures, seeing that agricultural production is the worst hit, as several speakers have said.

Cheysson

On 8 September, that is 10 days after the disaster, a joint mission of representatives of the government concerned, the French authorities and the Commission were able to go to the scene and make comprehensive enquiries. The results are being studied in Paris, and we are awaiting proposals from the French Government. We know that the Community's contribution will have to take several forms as all the speakers have said. The most urgent requirements are undoubtedly a matter for the EAGGF, Guidance Section, because the banana plantations must be restored to a state of production. This will take from nine to ten months, but the matter is urgent. Action is also needed in regard to irrigation of the fruit and vegetable farms. The maximum level of our intervention will be of the order of 50 % of the necessary expenditure; the rest will have to come from elsewhere. We also know that the Regional Fund must be used for infrastructure work — roads, bridges, wharves; the maximum in this case is 40 %.

Lastly, to the speaker who raised this point, I confirm the possibility of using the Social Fund for occupational training, for example where production is diversified and people have to transfer to other forms of livelihood. Mr President, allow me draw some conclusions from these events.

First of all, I shall repeat Mr Sablé's words: 'A stitch in time saves nine'. He is right. Will you not allow that we acted very quickly on behalf of the Community? Emergency appropriations voted and available five days after the disaster, fact-finding missions sent 10 days after it. We may regret that the speed was not apparent on the spot. Mr Estier criticized aid handed out in dribs and drabs. We must also wonder about aid which goes through a central account or accounts, a process which is singularly prone to postpone its utilization.

Secondly, the need to make our action effective. I hope I may be allowed to reflect aloud, before this House, on the clear demonstration this disaster has given (did there have to be a disaster first?) of the need to make combined use of all the facilities available to the Community: EAGGF, Guidance Section, Regional Fund, Social Fund. For a long time I have been surprised that the European Investment Bank has not been asked to intervene too. We have made a start it is true: the EAGGF Guidance Section has been used for structural improvements — pineapple production in Martinique, for instance. But you are well aware that we could have done much more long before this. It is true that the Regional Fund is endowed with quite substantial funds, especially since the governments decided that 2 % should be allocated to France for these overseas departments, which makes 18 million EUA for 1979. And this would have meant 24 million EUA in 1980 if the Commission's proposal had been accepted.

We now have to decide the nature of the operations under the Social Fund. By combining aid from all these funds, large-scale operations be carried out in the overseas departments, provided appropriate plans and programmes can be drawn up. In the present instance, these three funds will be involved; they will be providing large amounts. I wish to make that plain. I note that Mr Sablé suggested a figure of 800 million francs. I am not able to confirm that figure today, but we can, as is right, expect a really substantial contribution from the Community. May I mention again the 3 million EUA voted for Dominica separately. Compare that which the amount of two and a half million over five years allocated to Dominica, as an associated state, from the European Development Fund. That gives some idea of the volume of the aid which must be agreed to when regions associated with the Community — even more when those which actually belong to the Community — are in trouble. Our solidarity with peripheral regions, with regions in distress, must make itself felt. You may be sure that the Commission wants that made clear, spelled out in concrete financial terms — and as soon as possible.

President. — I call Mr Simmonds to speak on behalf of the European Democratic Group.

Mr Simmonds. — Mr President, I shall be extremely brief, particularly as I have virtually what I wanted to hear from the Commissioner.

I say on behalf of the European Democratic Group, that our group is against hurricanes and in favour of the spirit of these motions.

I want to say equally briefly, that I am concerned that at least two of the motions are rather too specific in that they identify, and identify only specific countries which are part of the Community. I would ask that the spirit of the motions be interpreted so that cash is made available, as a result of these motions not just to the Member States of the Community but also the signatories to the Lomé Convention, to whom we have a special responsibility.

After the first two part-sessions of this Parliament, my confidence in the Community's interpretation of the word 'urgent' is rather in need of repair, although I do accept that in this case the Community has been singularly swift in paying attention; but I hope that both Council and Commission will pay great attention to our resolutions and will go further towards helping the economies of the Caribbean devastated by the hurricanes.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

18. *Forest fires in the Mediterranean regions*

President. — The next item is the motion for a resolution (Doc. 1-326/79/rev.) Socialist Group, and Mrs Moreau, on behalf of the Group of the European People's Party (C-D Group) on forest fires in the Mediterranean regions.

I call Mrs Vayssade.

Mrs Vayssade. — (F) Mr President, first, I have been asked to apologize on behalf of Mr Loo, author of this motion, who has had to leave a short time ago for Paris for parliamentary meetings.

Next, I wish to express my surprise at the procedure which has allowed the name of a Member from another group to appear beside that of Emile Loo and the Socialist Group, when there was no discussion between us about the text of the resolution. There do exist procedures for joint discussion, and I do not see how the signature of another group could have been put on a proposal of the Socialist Group without introducing even the slightest modification. I hope that next time we shall preserve our identity intact when we table a text.

Now to the subject of the resolution. This summer, fires have devastated thousands of square miles in the Mediterranean region, in particular in the South of France, parts of Italy and Corsica. These are not the first such fires, but they are becoming more and more serious every year, since they often affect regions where the permanent population is diminishing, where tourism is developing and where full protective measures are no longer provided.

What are we asking for today from the Community? Measures at three levels.

First of all, the character of these forest areas must be preserved. They must remain agricultural areas, non built-up areas. It is a question of the ecological balance in the region, soil conservation and the regulation of the water supply there. Forests must therefore be preserved; it is important for the way of life of the local people. I would also say that it is important for the development of tourism, and I think many people present in this House have already had an opportunity of visiting the area.

The measures required are of three kinds.

There would have to be preventive action: forest maintenance and clearing the undergrowth. This is a matter of urgency in areas where the population has shrunk so that the routine work of clearing the forest is no longer done. Measures must therefore be taken by France and Italy, but also at the European level, for the exploitation and maintenance of the Community's forests which do after all represent a valuable asset for the whole of the Community. In the French areas affected this summer more than 35 % of the soil is under forest. It would therefore be a pity not to take measures in those areas to preserve these forests and enable them to be exploited.

Secondly, there must be means of fighting the fires when they break out, and these must be coordinated. The most effective solution is to have available the technical means of carrying the water by air, like the Canadair aircraft. Then it would be necessary to coordinate and expand considerably the means available to these regions for fighting the fires, which are now breaking out with distressing regularity.

Lastly, measures must be taken to repair the damage. I repeat: repair the damage, by re-forestation, and not by changing the nature of these regions. So there will have to be re-forestation, if possible using a greater variety of species, which will reduce the risk of fire, bearing in mind that this is perhaps a new opportunity for some areas to exploit their timber and perhaps create new jobs.

We are therefore asking that the Community's projects resulting from the regulation of February 1979 for the Mediterranean forest area should be implemented quickly and if possible speeded up. We think there would have to be a programme covering the years 1979-1985 to allow all the forestry problems in these regions to be dealt with.

I ask you, Mr President, to inform the Commission of our views in order to enable measures which are already on the way for certain corners of the Mediterranean forest region to get off the ground as soon as possible. If I may, I would also suggest that the French authorities should perhaps redefine the areas concerned in view of what has happened this summer, in particular in the Bouches-du-Rhône.

President. — I call Mr Simonnet.

Mr Simonnet. — (F) Mr President, first, Mrs Louise Moreau has asked me to apologize for her absence; she has had to return to her constituency to receive a ministerial visit.

I am surprised at Mrs Vayssade's remark about the joint authorship of the motion for a resolution, since it had been agreed with Mr Emile Loo to simplify things in this way instead of tabling two motions, because their texts were the same.

(Protests from the left)

Besides, forest fires do not warrant such political passion.

The *Midi* is not like other regions: there is more cooperation and collegiality there.

The problem of forest fires is very serious. The Mediterranean regions have, once again, suffered severe damage to sites and to the local economy from fires which sweep through whole tracts of age-old forest. These regions have great touristic appeal and, with so much of their activity geared to the tourist trade, one of the essential features of their economy is now at stake.

Simmonet

Consequently, it is obvious that any change inflicted on the character of the landscapes and sites of the area is a grave threat and calls for concerted action.

What measures should be taken and by whom?

Naturally, it is the duty of the national governments and local communities (the regions, departments, municipalities concerned) to take preventive action and to fight the forest fires.

But it is important, particularly in the public's eyes, that the Community should demonstrate its wish on this occasion to add its own efforts to those of the states concerned.

We understand that Community measures in the forestry sphere have already been envisaged by the Council, particularly in France in the vulnerable areas such as the Provence-Alpes-Côte d'Azur regions and Corsica, as well as Italy, but that up to now these recommendations have not been put into effect.

This is why we should like the implementation of these measures to be speeded up and supplemented by new provisions, in particular in regard to re-forestation. After all, the fruits of this policy can only be reaped in the medium and long term.

Therefore, in order to give concrete proof of our firm resolve to translate words into actions, we think it advisable to give aid immediately to the affected regions, using the appropriations provided under Chapter 59 of the present budget.

These then, in brief, are the considerations which prompt us to ask the European Parliament to adopt this motion for a resolution.

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

Mrs Demarch. — (F) Mr President, I put two written questions to the Commission on 14 September on this important matter of forest fires in the Mediterranean regions. While we agree about the urgency of this question, we are not among those who wish to exempt the French Government from their responsibilities.

In our materialist society the Mediterranean forests receive little attention, for they are not profitable. However, they are of value to our regions as part of the national heritage. They are ecologically rich, an important factor in maintaining the ecological balance, and because of their social value the French state should make available up-to-date means of ensuring their preservation.

This is the first point I wanted to stress, the national responsibilities for ensuring that these Mediterranean forests are protected, cleared and restored to re-forestation and for providing means on land and in the air for combating the fires.

This summer in my department of the Var, more than 13 000 hectares of pines, evergreen oaks and cork-

oaks have been burned. In the Provence-Côte d'Azur region tens of thousands of hectares have been laid waste by the fires. However, neither I nor my group consider this a reason for assuming that such a disaster need occur again.

I have been all over the wastelands now covering our hillsides, I have heard people describing what happened, listened to their views and the views of those responsible for the forests, and of the peasants and farmers. They sum up the situation as follows: a proper forestry policy requires proper funds. It is essential to re-forest and clear the burnt-out areas as soon as possible, and not allow any property development.

The urgency of this matter is obvious when one sees how whole forests have been devastated, and when one considers the implication of changes in the soil, if large-scale work is not immediately begun.

This is why aid from the Community countries from the funds allocated for the purpose in the 1979 and 1980 budgets, complementing the national funds, is clearly desirable to ensure effective preventive action to maintain the ecological balance in these regions, the beauty of the scenery and access to the forests for the enjoyment of future generations.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) Mr President, I want to indicate briefly the means at our disposal. When considering how to achieve the objectives discussed here, which we agree with, I would point out that it is very important that the measures taken should be the right ones.

In February this year the Council of Ministers, on a proposal from the Commission adopted a regulation for common measures to improve the economy of certain areas of the Mediterranean region. It provides for a comprehensive forestry programme for the Mediterranean areas which are most at risk ecologically. These measures are intended to cover a period of five years. This answers the wishes expressed by the first speaker for a programme for the period up to 1985. The probable costs of the proposed measures are estimated at 184 million EUA from Community funds, and provision is made to increase them if necessary up to a certain amount. The funds concerned are subsidies from the EAGGF which will cover 50 % of the costs of implementing the measures, while the other half will be defrayed by the Member States. The proposed measures concern in particular afforestation, improvements to existing tracts of woodland, fire prevention measures, laying new paths through the forests, etc.

There are other possibilities available to the Community in this field, e.g. research. From the funds available to us for agricultural research we can finance

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joint programmes which can specifically include research into ways of preventing fires in the regions referred to here.

In addition to the provision already made, which we have mentioned, the Commission will naturally examine the suggestions made here today.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

19. *Earthquake in Central Italy*

President. — The next item is joint consideration of:

- motion for a resolution (Doc. 1-334/79) tabled by Mrs Barbarella, Mr Bersani, Mr Ceravolo, Mr Galluzzi, Mr Gouthier, Mr Ippolito, Mr Lezzi, Mr Papapietro, Mr Ruffolo and Mr Veronesi, on the earthquake in Central Italy, and
- motion for a resolution (Doc. 1-342/79) tabled by Mr Barbagli, Mr Gonella, Mr Adonnino, Mr Filippi, Mr Sassano, Mr Costanzo, Mr Colleselli, Mr Barbi, Mr Ghergo, Mr Giavazzi and Mrs Cassanmagnago Cerretti on the earthquake in Central Italy.

I call Mr Gouthier, who is deputizing for Mrs Barbarella.

Mr Gouthier. — (*I*) Mr President, colleagues, as you know, a violent earthquake has struck Umbria, a small region in Central Italy and in particular the Nerina Valley which is the most backward and underdeveloped zone of this region, whose output is essentially agricultural. Danger lies certainly in the seriousness of the damage caused, but above all in the approach of the winter season — the bad weather and cold. There is therefore an urgent need for aid which will help particularly in the construction of houses and the safeguarding of livestock through the construction of suitable shelters. For this reason we Italian Communists think it is beneficial and necessary to accept the request we have formulated.

IN THE CHAIR: MR ROGERS

Vice-President

President. — I call Mrs Cassanmagnago Cerretti.

Mrs Cassanmagnago Cerretti. — (*I*) Mr President, colleagues, Mr Commissioner, this is the second time in the course of two years that we have spoken on the problems created by an earthquake. Over Friuli there was great solidarity, and we think it opportune to say that the serious nature of the disaster in which the region of Umbria, which is of great importance to the economic and social life of our country, has been shaken repeatedly by an earthquake, requires solid-

arity towards the people concerned, so that it will be possible to begin the reconstruction of dwellings, shelter for livestock, and various other structures and infrastructures.

As indicated in the motion for a resolution, we consider that under item 59 of the general budget, which provides urgent special funds in cases of disaster, the Council and the Commission can demonstrate their solidarity with the people affected just as they showed it at the time of the earthquake in Friuli.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (*D*) The last speaker mentioned the aid made available by the Commission and the Community to victims of the earlier disaster, the Friuli earthquake. You may rest assured that we shall be calling on the Community's resources in a similar way for the victims of the earthquake in Umbria. The work has already started. With the Italian authorities we are considering priorities and the best way of sending assistance quickly.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

20. *Emergency aid to Nicaragua*

President. — The next item is the motion for a resolution (Doc. 1-335/79), by Mrs Caretoni Romagnoli, Mr Didò, Mr Rumor, Mr Gouthier, Mr Jacquet, Mr Bersani, Mr Ferrero, Mr Schmid, Mrs Gaiotti de Biase, Mr Galluzzi, Mr Lezzi, Mr Michel, Mrs Squarcialupi, Mr Zagari, Mr Moreau, Mr Spinelli, Mr Walter, Mr Penders, Mr Pelikan, Mr Arfè, Mr Gatto, Mr Oehler, Mr Ripa di Meana, Mr Ruffolo and Mr Estier on emergency aid to Nicaragua.

I call Mr Gouthier.

Mr Gouthier. — (*I*) Mr President, colleagues, Mr Commissioner, this motion for a resolution is part of the trend now confirmed by this Parliament towards recognizing on the one hand the just struggles of nations for recognition of their independence and their freedom, and on the other towards providing also for the material needs of these nations, above all in the Third World and in this case in Latin and Central America. This is the sense of our request which I repeat seems to us to be in line with a confirmed course of action, and with the profound democratic feelings of the whole of Europe.

President. — I call Mrs Cassanmagnago Cerretti to speak on behalf of the group of the European People's Party (C.-D).

Mrs Cassanmagnago Cerretti. — (I) Mr President, when talking about Cambodia we raised the problem of starvation in the world, and this will be raised again during the next part-session.

Given the seriousness of the situation in Nicaragua, where 300 tonnes of provisions a day are needed to avoid death by starvation, we think it necessary to send provisions immediately, retaining the right however to hold a more lengthy debate on the theme of civil rights and world starvation in which we can examine what we do from the economic point of view.

President. — I call Mr Haferkamp.

Mr Haferkamp, Vice-President of the Commission. — (D) Mr President, emergency measures were adopted as early as July. On 16 July it was decided to send medical supplies; a few days later we agreed to make supplies of seed corn available. At the same time we released aid for Nicaraguan refugees in Costa Rica, and at the end of August we decided to allocate 3 million EUA for many different forms of food aid; this has been despatched and is being delivered.

We have sent Commission representatives to Nicaragua to find out how we can assist the future development and reconstruction of the country. It is mainly a question of establishing with the help of the Nicaraguan authorities which particular development schemes can be speeded up; we have decided to earmark 2 or 3 million EUA for this. The Commission's representatives are at present engaged in talks in Nicaragua on this question.

So, as you see, we acted promptly in regard both to food aid and to the development of the country, and we intend to do more.

President. — The debate is closed.

The vote will be taken at the end of the sitting.

21. Misuse of Community funds

President. — With regard to the oral question without debate by Mr Key (Doc. 1-303/79), I am informed that its author cannot be present and requests a written reply. This has been agreed to by the Commission.

22. Votes

President. — The next item is votes on motions for resolutions on which the debate has closed. I put to the vote *the motion for a resolution by Mr Van Aersen and others (Doc. 1-280/79): provisions of criminal law in GDR.*

The resolution is adopted.¹

* * *

President. — I put to the vote *the motion for a resolution by Mr Berkhouwer (Doc. 1-320/79): Situation in Cambodia.*

The resolution is adopted.¹

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President. — We shall now consider *the motion for a resolution tabled by Mr Sarre and others (Doc. 1-328/79/rev. III): Repression in Argentina.*

I call Mr Glinne.

Mr Glinne. — (F) If it will be of any help in reaching a consensus, we would be prepared to replace the words 'suspend diplomatic relations with' by 'recall their Ambassadors to'.

President. — Are there any objections to this oral modification?

That is agreed.

I call Mr Almirante for an explanation of vote.

Mr Almirante. — (I) Mr President I should merely like to say in the name of my colleagues of the Italian National Right, that we shall vote for the motion for a resolution put forward by our Socialist colleagues without any hesitation. In doing this, I respond immediately to the appeal addressed to me by our German colleagues in the Group of the European People's Party in favour of freedom without exceptions and without exclusion on ideological grounds in any part of the world.

President. — I put the motion for a resolution, as amended orally, to the vote:

The resolution is adopted.¹

* * *

President. — We shall now consider *the motion for a resolution by Mr Habsburg and others (Doc. 1-343/79): Situation in Afghanistan.*

I call Mr Habsburg.

Mr Habsburg. — (D) Mr President, to enable us to get this very important resolution adopted unanimously if possible — at least by the largest possible majority — we suggest deleting the words: 'to break off diplomatic relations with the current regime'. The essential thing is for us to make our views on the situation in Afghanistan absolutely clear, with the largest possible majority, so that the world knows what we think.

¹ OJ 266 of 22. 10. 1979.

President. — Are there any objections to this oral modification ?

That is agreed.

I call Lord O'Hagan to give an explanation of vote.

Lord O'Hagan. — I take my life in my hands and do so. We had an instant amendment on the previous which I could not match up with my text. This one the honourable Member had the courtesy to discuss, and we can accept it, because it meets the point of my general objection.

President. — I put the motion for a resolution, as amended orally, to the vote.

The resolution is adopted.¹

* * *

President. — I put to the vote the *motion for a resolution by Mr Vergès and others (Doc. 1-283/79): Hurricanes David and Frederick.*

The resolution is adopted.

I put to the vote the motion for a resolution by Mr Sablé (Doc. 1-308-79): Hurricanes David and Frederick.

The resolution is adopted.¹

I put to the vote the *motion for a resolution by Mr De La Malène and others (Doc. 1-329/79): Hurricanes David and Frederick.*

The resolution is adopted.¹

I call Mr Klepsch on a point of order.

Mr Klepsch — (D) I just wish to ask you and the House whether in future, when we have three resolutions on the same theme and differing from one another only very slightly, we could not amalgamate them in a single text. I put this to everyone.

President. — I take note of your suggestion, Mr Klepsch. It would be useful if the authors of the motions could perhaps indicate to the Presidency beforehand that they are prepared for them to be amalgamated on a vote. This might well be the procedure in future. Perhaps the chairmen of the political groups could take this matter in hand.

* * *

President. — We shall now consider the *motion for a resolution by Mr Loo, and Mrs Moreau, (Doc. 1-326/79/rev.): Forest fires in the Mediterranean region.*

I call Mr De Goede for an explanation of vote.

Mr De Goede. — (NL) Mr President, I should like to make an explanation of vote concerning both the amendments and the resolutions relating to the fires

on the Mediterranean. I should like to begin by pointing out to my French colleagues in particular that while I am of course not averse to granting aid, there is a principle which we should obey in discussions of this type, i.e. that matters which can be solved locally should not be referred to a higher authority, that matters which can be dealt with and solved regionally should not be dealt with at national level, and that matters which can be settled at national level do not necessarily have to be discussed and settled here as a Community issue. I feel that issues of this type, such as a forest fire in southern France, can be settled by the big, strong, powerful, wealthy country of France itself.

I should like to state therefore that just this once I shall abstain from voting on the resolutions, but that in the future I shall be one to myself and vote against resolutions of this type. I take the view that it should be possible to deal with matters of this type on a regional or national basis. When, for example, I see that an amendment is sought to set up a Community aircraft squadron to provide help in situations such as these, then I really begin to wonder what we are dealing with here, and whether our French friends really want to be increasingly divested of their powers and competences. Matters of this type should not be transferred to Community level.

President. — I put the preamble and paragraph 1 to the vote.

These items are adopted.

After paragraph 1, I have Amendment No 2 by Mrs Squarcialupi and others :

After paragraph 1, insert the following new paragraph :

- 1a. Asks the Commission to launch as a matter of urgency the forestry policy programme on which Parliament already gave its opinion in May 1979 ; a communication from the Commission to the Council on this subject concerned not only the prevention of forest fires and the repairing of the damage caused by them but dealt also with the hydro-geological problems besetting the Mediterranean regions in particular and advocated giving forests a more important place in agriculture.

I put Amendment No 2 to the vote.

Amendment No 2 is rejected.

On paragraph 2, I have Amendment No 1 by Mrs Agnelli :

This paragraph to read as follows :

2. Requests the Commission to take steps for the future aimed at preventing and extinguishing these fires, including the establishment of a Community air fleet for emergency action, and to provide funds, especially in the 1980 budget, for the reforestation of the regions concerned.

I call Mrs Pruvot.

¹ OJ C 266 of 22. 10. 1979.

Mrs Pruvot. — (F) Mr President, the author of this amendment, Mrs Agnelli, is unable to attend this debate and sends her apologies. I have pleasure presenting it on her behalf.

When a very serious fire devastated the forest in her region four years ago, France helped to fight the fire by providing a Canadair aircraft. The outbreak of these terrible fires, which now, sad to say, are an only too frequent occurrence in the Mediterranean forest regions, has prompted Mrs Agnelli to submit two proposals; firstly, that the Community should make an *ad hoc* release of funds to help in the reforestation of the regions affected; secondly, that it should acquire a fleet of Canadair planes to be sent at the first alert to the scene of the fires.

I wish to add that Mrs Agnelli has asked me to thank France again for the help it provided four years ago.

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

I put paragraph 2 to the vote.

Paragraph 2 is adopted.

After paragraph 2 I have Amendment No 3, by Mr Diana:

Add the following new paragraph:

2. Requests the Commission to encourage, and coordinate between the two Member States concerned, the use of fire-fighting aircraft.

I put Amendment No 3 to the vote.

Amendment No 3 is adopted.

I put paragraph 3 to the vote.

Paragraph 3 is adopted.

I call Mr Glinne for an explanation of vote.

Mr Glinne. — (F) Mr President, the Socialist Group would have been only too glad to reach as much agreement as possible with the other groups. But I confirm what Mrs Vayssade said just now: for this text to be tabled by Mrs Moreau is nothing less than sheer plagiarism.

President. — I call Mr Klepsch.

Mr Klepsch. — (I) I utterly fail to understand Mr Glinne's remarks, for Mrs Moreau tabled this motion jointly with Mr Loo, who asked her to do so — yes, he actually asked her to do so, and Mrs Moreau submitted the text to our group accordingly; so the group gave its agreement to it.

Now, though, I understand what Mr Glinne is saying, he does not agree with the suggestion I made a few minutes ago. I suggested we should amalgamate resolutions on the same subject. We thought this had happened in the present instance. We did not want to give the impression that we thought differently from Mr Loo. I take note of that. I shall tell Mrs Moreau that, in future, she should not table any joint resolutions.

President. — I call Mr Janssen van Raay for an explanation of vote.

Mr Janssen van Raay. — (NL) Mr President, the words of Mr De Goede prompt me also to make an explanation of vote, but in favour of the motion. I remember the 1950's when there were serious floods in the Netherlands. A student at that time, I filled sandbags to combat the flooding. I stood shoulder to shoulder with our French friends who had swiftly come to our aid. That was an expression of solidarity, and I shall now express my gratitude by voting wholeheartedly in favour of the motion.

President. — I put the motion for a resolution to the vote.

The resolution is adopted.¹

* * *

President. — We shall now consider two motions for a resolution on the earthquake in Italy.

I call Mr De Goede for an explanation of vote.

Mr De Goede. — (NL) Mr President, what I have just said also holds true for this motion. In reply to the comment made by Mr Janssen van Raay I wish to say that I am of course in favour of providing aid in areas and at times when help is genuinely needed. This was true in the case of the floods in the Netherlands in 1953 when 2 000 people lost their lives and tens of thousands were in danger and had to be evacuated. However, I doubt whether it can be compared with the forest fires in France or the damage caused by the very minor earthquake in central Italy. For the reasons I have already stated, I intend to abstain from voting also in the case of these resolutions.

President. — I put to the vote the *motion for a resolution by Mrs Barbarella and others (Doc. 1-334/79): Earthquake in Italy.*

The resolution is adopted.¹

I put to the vote the *motion for a resolution by Mr Mr Barbagli and others (Doc. 1-342/79): Earthquake in Italy.*

The resolution is adopted.¹

* * *

President. — I put to the vote the *motion for a resolution by Mrs Caretoni Romagnoli and others (Doc. 1-335/79): Emergency aid to Nicaragua.*

The resolution is adopted.¹

¹ OJ C 266 of 22. 10. 1979.

23. *Membership of Parliament*

President. — At its meeting of 27 September 1979 the enlarged Bureau verified the credentials of Mr Estgen and Miss Roberts, whose appointments have already been announced.

Pursuant to Rule 3 (1) of the Rules of Procedure, the enlarged Bureau has confirmed that these appointments have already been announced.

Pursuant to Rule 3 (1), of the Rules of Procedure, the enlarged Bureau has confirmed that these appointments comply with the Treaties. The enlarged Bureau therefore proposes that these mandates be ratified.

Are there any objections?

These appointments are ratified.

24. *Dates of the next part-session*

President. — There are no other items on the agenda. I thank the representatives of the Council and the Commission for their contributions to our proceedings.

The enlarged Bureau proposes that our next sittings be held from 22 to 26 October 1979 in Strasbourg. Are there any objections?

That is agreed.

25. *Approval of the minutes*

President. — Rule 17 (2) of the Rules of Procedure requires me to lay before Parliament, for its approval the minutes of proceedings of this sitting, which were written during the debates.

Are there any comments?

The minutes of proceedings are approved.

26. *Adjournment of the session*

President. — I declare the session of the European Parliament adjourned.

The sitting is closed.

(The sitting was closed at 0.55 p.m.)

ANNEX

Oral question without debate (Doc. 1-303/79) by Mr Key, to the Commission

Subject : Misuse of Community funds

To ask the Commission what action is proposed to ensure that the agencies concerned within member states co-operate fully with it in the detection of the irregular or fraudulent use of Community funds : in the recovery of sums involved in such irregularities or frauds ; and in bringing, where appropriate under respective national criminal codes, the miscreants to justice.

Answer

Various mechanisms are employed which provide for cooperation to combat irregular or fraudulent use of Community funds. Member States have the responsibility for instituting legal proceedings against persons or organizations where such action is appropriate.

Checks by the different services of the Commission and by the Court of Auditors have been substantially increased. The following Community provisions are already in force or are proposed to assist both the exchange of information and the appropriate follow-up action where suspect or irregular transactions are discovered.

- Regulation 283/72. This provides for an information network between the Member States and the Commission for the exchange of details about EAGGF frauds. A proposal for a similar system in respect of 'own resources' has been put before the Council.
- In June 1976, a Directive was adopted providing for mutual assistance between Member States for the recovery of claims resulting from operations within the framework of EAGGF finance and of the agricultural levies and customs duties. This had to be implemented by Member States not later than 1 January 1978.
- A proposal was made for a Council regulation concerning the organization of mutual assistance between Member States, and between Member States and the Commission for ensuring the correct application of the law in customs and agricultural matters. It is hoped that this regulation will soon be adopted.
- Since 1 July 1979 the Member States have been obliged to apply a directive providing for the scrutiny of transactions concerning the EAGGF which likewise provides for mutual assistance between Member States. This is felt to be a very important step in the fight against sophisticated commercial frauds.

