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Europe House, Strasbourg

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Appearing at the same time as the English edition are editions in the six other official languages of the Communities: Danish, German, Greek, 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: *(DA)* for Danish, *(DE)* for German, *(GR)* for Greek, *(FR)* for French, *(IT)* for Italian and *(NL)* for Dutch.

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IN THE CHAIR: MRS VEIL

President

(The sitting opened at 5 p.m.)

1. Resumption of the session

President. — I declare resumed the session of the European Parliament that was adjourned on 19 June 1981.¹

2. Order of business

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

At its meetings of 16 and 25 June 1981, the enlarged Bureau drew up a draft agenda for this part-session. This has been distributed (PE 73.769/rev.).

At the meeting held this morning with the political group chairmen pursuant to Rule 55, it was agreed that the following amendments to the draft agenda should be proposed to Parliament:

- First, at the request of the Committee on the Rules of Procedure and Petitions, the chairman of that committee should, after the Commission's statement on the action taken on the opinions of Parliament, take the floor briefly to present to Parliament the communication on the committee's deliberations on petitions.

- Secondly, at the request of the Committee on External Economic Relations, the Stewart-Clark report on trade relations between the Community and Japan (Doc. 1-240/81) should be entered as first item on the agenda for Friday, 10 July. Speaking-time, one hour in all, would be allocated as follows:

Rapporteur: 5 minutes; Commission: 5 minutes; Socialist Group: 9 minutes; EPP Group (Christian-Democratic Group): 9 minutes; European Democratic Group: 7 minutes; Communist and Allies Group: 6 minutes; Liberal and Democratic Group: 6 minutes; Group of European Progressive Democrats: 6 minutes; Group for the Technical Coordination and Defence of Independent Groups and Members: 5 minutes; and Non-attached Members: 12 minutes.

I call Sir Frederick Warner.

Sir Frederick Warner. — Madam President, my group would very much wish to welcome the wise decision to take the report of the Committee on External Economic Relations on relations with Japan. I would, however, like to point out that there are other resolutions concerning this matter which might be dealt with at the same time. There is a resolution tabled by members of the Japan delegation in March, and there are a number of private resolutions which I have seen in the last few weeks whose authors may or may not wish them to be taken together with the main report of the Committee on External Economic Relations. In any case, it seems to me that there would be great advantage in getting all these matters discussed together.

President. — I was about to suggest that the oral question by Mr Van der Gun, on behalf of the Committee on Social Affairs and Employment, on the crisis in the European motor-car industry (Doc. 1-310/81), be included in this debate.

As regards the delegations, however, the practice has always been to include their motions for resolutions in the committee reports. The one-hour debate to be held at the beginning of Friday's sitting on the report drawn up by your committee will therefore be the occasion for dealing with all these subjects.

¹ For items concerning the adoption of the Minutes, Membership of Parliament, Transfers of appropriations, Petitions, Authorization of reports and reference to committee, Documents received, Texts of treaties, and a decision on the Seibel-Emmerling report (Doc. 1-70/81), see the Minutes of Proceedings of this sitting.

President

Further, the following reports, on which the Council has requested urgent debate pursuant to Rule 57, would be included in Friday's agenda after the Stewart-Clark report and before any items left over from Thursday:

- Früh report on monetary compensatory amounts (Doc. 1-242/81);
- Papaefstratiou report on less-favoured agricultural regions in Greece (Doc. 1-353/81); and
- Quin report on inshore fishing (Doc. 1-267/81).

(Parliament agreed to the inclusion of these items)

I call Mrs Wieczorek-Zeul.

Mrs Wieczorek-Zeul. — *(DE)* Madam President, before I embarked upon a visit of a delegation to El Salvador with my Socialist and Christian-Democratic colleagues, I was informed by the enlarged Bureau that the report of the Committee on External Economic Relations on relations between the European Community and the Gulf States, for which I am the rapporteur, was to be placed on the agenda for Thursday. May I ask on the basis of what decision by the enlarged Bureau and for what reasons this report has been removed from the agenda and at what time the report is now to be submitted to the Assembly?

President. — The enlarged Bureau discussed this matter at length at its last meeting, and one week ago, in Brussels, it decided to defer your report to the September part-session. It was the wish of all the political groups that more time be devoted to the debate on the institutions and on the question of the seat, not to mention the statements to be expected from the British President-in-Office. It was therefore impossible to keep a report as important as yours on the agenda; the document originally under discussion was, incidentally, no more than a pre-draft of the week's agenda.

We shall be discussing the order of business of the next part-session tomorrow, but this morning the group chairmen were agreed that your report should be debated on the Wednesday. In this way, more time could be given to it and the attendance — including the President-in-Office of the Council — would be better than if it were dealt with at the end of this Friday's sitting.

I would add that the Committee on Economic and Monetary Affairs had asked us to defer the debate on your report until September since it had not yet drawn up an opinion. I shall convey to the chairman of the Committee on Economic and Monetary Affairs that a timely submission of its opinion will be indispensable for the proper debate of this report in September.

Mrs Wieczorek-Zeul. — *(DE)* Madam President, if I have understood you correctly, there was no decision by the enlarged Bureau to remove this item from the agenda; it seems rather that an agreement was reached this morning between the group chairmen to take this report at the September part-session.

If I have understood you correctly, the report was removed from the agenda by the secretariat and not by a decision of the enlarged Bureau.

President. — You have misunderstood me. The administration did not take any decision: it is not authorized to do so. The group chairmen decided this morning that this report would come up for debate in the month of September.

I call Mr Klepsch.

Mr Klepsch. — *(DE)* Madam President, I remember quite clearly that we decided at the meeting of the enlarged Bureau last week in Brussels that this report could not be placed on the agenda of this part-session because there was not enough time left.

President. — Precisely. The matter was raised again this morning because one group chairman, Mr Glinne, nevertheless wanted the report to be included in this part-session's order of business.

Mr Glinne allowed himself to be persuaded that this was impossible — the report would have come up for discussion at the very end of the Friday sitting — and so the group chairmen unanimously confirmed this morning that this item would be deferred until September.

I call Mr Rogers.

Mr Rogers. — Madam president, I am not arguing on the substance of the question as to when the report should appear, but there was a decision taken in the enlarged Bureau initially that this should be on the agenda. Now I can quite understand why it was taken off by the group chairmen, although I would dispute the legality of their removing items from the agenda once a decision has been made: that is a matter that can be looked at again, but I would like this whole issue referred to the Rules of Procedure Committee, because, as I understand it, the matter was taken off because one of the committees had not given its opinion on the report, and if that is not the case, then why was it taken off? It was my understanding that the Committee on Economic and Monetary Affairs had not given an opinion, and if a committee at some stage defers its opinion then reports can be held up. At all events, the general point, which you know as well as I do, Madam President, is that committees have sometimes been very lax in presenting an opinion on reports

Rogers

that come from another committee, and I think the Rules of Procedure Committee ought to look at this problem and perhaps fix a time-limit for the presentation of opinions on reports.

President. — Mr Rogers, I am very sorry, but as a member of the enlarged Bureau you should be able to recall that at the meeting of the enlarged Bureau held last week in Brussels we decided, on a request from all the group chairmen, based on the fact that the order of business was too heavily loaded, to take the Wiczorek-Zeul report off the agenda. Moreover, I would remind you that Rule 55 expressly lays down that before the opening of every part-session the President and the political group chairmen meet to fix the final draft agenda for submission to Parliament.

I call Mr Glinne.

Mr Glinne. — (*FR*) Madam President, I should just like to point out that following the consensus reached this morning at the conference of group chairmen, the report by Mrs Wiczorek-Zeul will be placed on the agenda of the Wednesday of the September part-session regardless of whether the Committee on Economic and Monetary Affairs has delivered its opinion.

President. — Exactly, Mr Glinne. I thought I had pointed this out a few moments ago.

I call Mrs Viehoff.

Mrs Viehoff. — (*NL*) Madam President, if my information is correct, the Committee on Youth and Culture announced in May a report on the education of migrant worker's children. Our committee has worked hard to get the report ready for the July part-session, because the directive in question is to enter into force this month. Our committee felt it appropriate to arrange for the report to be debated in July. Can you then explain to me why the report is not on the agenda for this part-session?

President. — Mrs Viehoff, we discussed this morning the request made by the Committee on Youth, Culture, Education, Information and Sport, and in view of our very heavy workload it proved absolutely impossible to include this report in the agenda. All the political groups were in favour of giving priority to the debates on the institutions, the question of the seat and the programme of the British Presidency. Moreover, other reports too have had to undergo the same fate as yours. We have four-and-a-half days of debating-time; it is impossible for us to load the agenda any further, and to enter items while knowing perfectly well that they cannot be debated is not advisable.

I call Mr Schwencke.

Mr Schwencke. — (*DE*) Madam President, the very important report by Mrs Viehoff has been held over. Can we now have a guarantee that this text and another report which has also been announced by the Committee on Youth, Culture, Education, Information and Sport — namely, the Weiss report on the European exhibition — will in fact be debated in September?

President. — Mr Schwencke, the only assurance I can give you is that this question will be raised in the enlarged Bureau tomorrow and that, if at all possible, the item will be put on the agenda for the September part-session.

I call Sir Frederick Catherwood.

Sir Frederick Catherwood. — Madam President, I understand the position on the Wiczorek-Zeul report is that it will definitely, by agreement of the Bureau, be taken on the Wednesday of the next part-session, whether or not the Committee on Economic and Monetary Affairs has been able to produce an opinion, and on that basis I am content to accept this. I will try to get in touch with the chairman of the Committee on Economic and Monetary Affairs to see how they can best give us their opinion, and it may be that he will ask for your cooperation in arranging a brief meeting of the committee ahead. If he does that, I hope you will help him, and on that basis I am very happy to accept your proposed alteration.

President. — Sir Frederick Catherwood, yes, that is the basis on which this report will be dealt with — that is to say, on 16 September whatever happens. I intend to meet Mr Moreau, chairman of the Committee on Economic and Monetary Affairs, to let him know the precise situation. With regard to the requests put forward by your committee, I would add that since a Japanese Delegation is visiting the European Parliament this week, a special effort has been made to find room for the report on relations with Japan.

I call Mr De Goede.

Mr De Goede. — (*NL*) Madam President, in connection with our activities this week I should like to put two requests to you. The first concerns the time-limit for tabling amendments to the Zagari report. I only received that report on Friday afternoon, and I assume that many other Members are in the same position. The time-limit for amendments was fixed at 6 p.m. on Friday. Can you now tell me whether you will allow us to table amendments until 8 p.m. today? Otherwise those Members who received the report at this late

De Goede

stage will not be able to make use of their fundamental right to amend a motion for a resolution.

My second request is this. The agenda for Tuesday morning includes a statement by the Commission on the results of the mandate of 30 May: a note on page 8 indicates that the statement will not be followed by a debate, and spokesmen for the political groups will be allowed not more than 10 minutes each. I suppose, however, that the non-attached Members will also be allowed to participate in the debate. In allocating speaking-time, you are only entitled to work on the basis of Rule 65, and I hope that you will do so.

President. — Mr De Goede, in reply to the second point, the non-attached Members will of course be given an opportunity, after the statement by the President of the Commission, of speaking under the same conditions as the group spokesmen — that is to say, by dividing among themselves the total speaking-time put at their disposal.

As for your first question, fixing a new time-limit is out of the question, since I am told that the report has long since been distributed and that it was discussed by all the political groups last week. Your secretariat should have known that it had been distributed and should have procured copies.

I call Mr Pannella.

Mr Pannella. — (FR) Madam President, we do have a problem with these amendments. First of all, I do not think that the mere fact of forwarding a document to the secretariats of the political groups is sufficient for Parliament to claim that it has met its obligation of sending documents to the Members themselves. The political groups' secretariats sometimes have an interest in seeing to it that their members remain ignorant of certain matters. That is especially true of the large groups. Then there is the problem of the non-attached Members, who do not constitute a group.

Having said that, Madam President, adoption of your position on the amendments — a position which seems rather too hard to us — places us in a grotesque situation. Once the political groups are in possession of a report, it may perhaps be supposed that the Members themselves are acquainted with it. But in the case of the report by Mr Cohen, for which the time-limit for tabling amendments was set last Friday, the text was still not available to Members five minutes ago.

That being so, we shall be obliged to note that last Friday could not be the time-limit for tabling amendments to the Cohen report, since the report did not exist at that time.

President. — Mr Pannella, the reports on the seat were distributed last Monday in Brussels and in Luxembourg. Even if one takes account of the time required for posting documents to the homes of all Members, the time-limit appears to have been adequate and there is no justification for establishing a new one.

As to the Cohen report, we shall check to see whether it has been distributed and whether there is any need to extend the time limit. You are aware that this report concerns a decision which is very urgent in view of the extremely short space of time left before the Paris Conference.

With regard to the report on the question of the seat, we are not so pressed for time. The administration is therefore considering whether there is any need to extend the time-limit.

Mr Pannella. — (FR) Madam President, I think the secretariat is treating Members in rather cavalier fashion.

I maintain that only five minutes ago, when our assistants asked for the Cohen report, they were repeatedly told that it was not yet available.

President. — That is going to be checked. There is no need to get excited.

I call Mr Enright.

Mr Enright. — Madam President, it is Mr Pannella who is being cavalier, because he could, in fact, have attended the committee meeting and discussed the matter when he knew it was on the agenda. We had a very long discussion at that time and he could then have put forward his amendments in a proper fashion.

(Applause from various quarters)

President. — I call Mr Cohen.

Mr Cohen. — (NL) Madam President, I do not make a habit of agreeing with Mr Pannella, but on this occasion he is right. It is true that my report is not yet available — I have just taken a look in my pigeon-hole. Mr Pannella would, of course, have been able to prepare his amendments if he had attended our committee meeting, as Mr Enright has already pointed out. He did not do so. But I must add that the report is not yet available here in Strasbourg, and I would therefore ask you to hold over the time-limit for tabling amendments, perhaps until tomorrow evening.

President. — The matter is being investigated. In any case, since this item is not due until the end of the week, I propose that we extend the time-limit for tabling amendments to this report until 6 p.m. tomorrow.

(Parliament adopted this proposal)

The Council has requested, under Rule 57, urgent procedure on the following items:

- the decision on fishing arrangements between the EEC and Sweden and the regulation on vessels flying the Swedish flag (Doc. 1-327/81);
- the decision on the modernization of farms in Ireland and the regulation on less-favoured areas in the west of Ireland (Doc. 1-360/81);
- the regulation on hops (Doc. 1-340/81); and
- the directive on fresh poultry-meat (Doc. 1-98/81).

The Committee on Agriculture will be meeting this evening and tomorrow to discuss and vote on the reports concerning the first three of these consultations. The consultation on poultry-meat comes within the province of the Committee on the Environment, Public Health and Consumer Protection, which may also meet this week.

If these committees adopt their reports, this information will be conveyed by the President and the reports will be entered on the agenda for Friday after the report on Japan. If no report is adopted on one or another of these consultations, a request for urgent procedure will be put to Parliament at the beginning of Thursday's sitting, provided the background documents are available.

Mr Ansart and others have requested, under Rule 56, that a debate on the respect of human rights in Northern Ireland be placed on the agenda for this part-session.

I call Mr Wurtz.

Mr Wurtz. — *(FR)* Madam President, pursuant to Rule 56 of the Rules of Procedure, Mr Gustave Ansart, on behalf of the French Communist and Allied Members, has asked for an amendment to the agenda of this part-session.

I consider it vital for the subject of Northern Ireland to be debated. The reason for our request is obvious. After Bobby Sands and Francis Hughes, after Raymond McCreech and Patsy O'Hara, a fifth Irish Republican, Joe McDonnell, is likely to die at any moment in this Belfast jail, whose sinister reputation is now spreading throughout Europe.

We believe that our Assembly cannot remain indifferent to the attitude of the British Government to this

30-year-old young man and three of his comrades who were arrested with him. How can we remain silent on the fact that the government had all four of them sentenced by special tribunals to 14 years' detention in this Belfast jail for the simple reason that they were travelling in a car in which a weapon was found? For purely humanitarian reasons, how can our Assembly remain insensitive to the appeal launched by these young patriots to the international community? Let me remind you that they are demanding the right to wear their own clothes, to be exempted from compulsory work, to associate freely, to receive mail and visits and to benefit from the statutory remission of sentence. In brief, they are demanding respect for their own human dignity and for that of all the prisoners in Long Kesh.

At a time when many observers are laying emphasis on the good will shown by the Irish Republicans, we believe that our Assembly should do all in its power to facilitate progress on this painful issue. That is the reason for our request.

President. — I call Mr Pannella.

Mr Pannella. — *(IT)* Madam President, I believe that quite apart from our own personal opinions on these dramatic and tragic events now taking place in the European Community, Parliament should hold an urgent debate on this topic.

It is a fact that this civil war, this tragic confrontation, has now been brought home to the minds of all European citizens, and I believe that our Parliament is fully entitled to decide in whatever way it pleases — in favour of or against the demands made by Bobby Sands and the others. That is not the problem, however, Madam President. We have a duty to hold an urgent debate and air our views on this matter. That, I believe, is the real problem. In the present situation, Madam President, there are — as always — deep motives and reasons on either side. I do not think it is possible to say that either party is wholly right. I do not think it is possible to presume that all the humanitarian motives lie with those who believe that they are tragically constrained to use terrorism and assassination of their adversaries as a method of liberation. Similarly, I do not believe it possible to deny that the rigid attitude adopted by the State to their humane requests shows bias and sectarianism and is a source of violence.

I would ask the House to take a vote reflecting the right and duty of our Parliament to express its opinions. How we do so is only of marginal importance: it seems to me that at this particular juncture we have a duty to recognize the alarm felt by European public opinion and its interest in this problem; if we are a Parliament, Madam President, we must debate this matter and take our own decision.

President. — I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — Madam President, I had hoped I would not have to get up again and talk about this particular situation in Northern Ireland; but I agree, of course, with what Mr Pannella has said, that this House has the right to discuss any matter it wishes.

I would ask the House to accept that this is not the time or place to discuss these particular matters.

In reply to what has just been said by the gentleman speaking on behalf of the French Communists, these are not young, innocent, patriots: they are men who have committed violence and killed and maimed and destroyed during the period of the last 8-9 years. There is no doubt about that, and I think quite honestly, Madam President, that at this moment no useful purpose can be served by changing our agenda and debating this matter. I should like, on behalf of my group, to recall that the Irish Commission for Justice and Peace is meeting with the hunger-strikers now today; they did so yesterday, and they may well do so again tomorrow. There will be continuing contacts between the new Irish Government, led by Mr Garret FitzGerald, and the Prime Minister of the United Kingdom, Mrs Thatcher, and there are signs that, perhaps, a new position is being adopted by the hunger-strikers and those who are, in point of fact, directing them from behind the scenes. I would, if I may, refer briefly to the statement made by my country's Secretary of State for Northern Ireland, when he emphasized that the British Government was anxious to do everything possible to resolve this problem, subject to two conditions, and two conditions only: that there be no differentiation in the treatment of convicted prisoners and that overall control of the prisons should not be relinquished. The honourable gentleman is utterly wrong when he tries to make out that these particular people, these terrorists who have been convicted of crimes, are not trying to do one thing and one thing only, which is to gain the status of political prisoners, differentiated from that of convicted criminals. That is something that my government in the United Kingdom is unable to accept; that is what they are demanding, and that has been made quite clear by each and every one of them; and there is no question of the British Government's giving in to blackmail on this particular issue. None at all. Indeed, I must say that the British Government is anxious to develop an even more humane system within the prisons bearing in mind the two points that I have just laid down.

In the light of these developments, Madam President, and I think the situation is in a very delicate state at the moment, I really do believe that this House would be making a grave mistake to debate this matter during this week. Let us hope and pray that some satisfactory conclusion can be arrived at, that the commission that

is interviewing these hunger-strikers at the moment will be able to persuade them and those who control them to end their strike and that the conditions in the prison can then be considered in the most humane way possible. I ask this House to reject this motion.

(Applause from various quarters in the centre and on the right. Parliament rejected Mr Ansart's request)

President. — Again under Rule 56, the chairman of the Committee on Transport and 27 other signatories have requested that the Albers report on energy savings in the field of transport (Doc. 1-249/81) be included in the agenda for this part-session.

(Parliament rejected the request)¹

3. Speaking-time

President. — I propose that speaking-time be allocated as indicated in the Bulletin.

I call Mr Pannella.

Mr Pannella. — *(FR)* Madam President, it is a pity that I should have to speak on this point at each part-session.

The speaking-time for all the debates on the seven resolutions relating to institutional matters is 420 minutes. You are proposing to us that we should adopt our customary procedure and allocate speaking-time to the groups by taking it away from individual Members. One of the groups is being allowed 11 minutes in all for the seven resolutions. That means that a political family, albeit a heterogeneous one, will have one-and-a-half minutes to state its views on each of these resolutions.

Madam President, this really is anti-democratic. In this Parliament, there are four Danish Members who represent the biggest political force in their country. They adopt positions which I certainly do not share, but, as a sub-group, they will have only twelve seconds to put the views of 23 percent of the Danish electorate! The Luxembourgers and others will eventually realize the importance of this problem.

I presume that there are political reasons for this, Madam President, because in the debate on the report by Sir Fred Warner you allowed us five minutes out of sixty. When we are debating Japan — which is, of course, an important topic — you are very liberal, but you only allow us 11 minutes out of 420 to speak on

¹ For details of the order of business, see the Minutes of Proceedings of this sitting.

Pannella

this report about Europe and the European Institutions. You show total intolerance. You gag the voices and thoughts of persons who have a duty to outline their positions, even if not to develop it in full. You call yourselves Liberals, and you are allowing us 11 minutes — 11 minutes for seven reports!

(Protests)

President. — Mr Pannella, I would point out that you have already spoken for almost 11 minutes today.

(Laughter and applause)

I would remind you that your group's speaking-time has been calculated in conformity with the Rules of Procedure. Finally, since you very often express a wish for the inclusion of additional items in the agenda, I am surprised at your regret that speaking-time should be limited. That seems to me to be inconsistent.¹

4. Action taken on the opinions of Parliament

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

I call Mr Johnson.

Mr Johnson. — *(FR)* Madam President, at our last part-session the Commission stated that it would shortly be reporting to us on the problem of commercial vehicles; in particular, it said that it would let us know whether it was able to comply with the opinion delivered by Parliament after the debate on the Carosino report.

I fully recognize that the Commission has had a very heavy workload, particularly because of matters connected with the mandate of 30 May. Will it, nevertheless, be able to let us have its opinion this week?

President. — I call Mr Contogeorgis.

Mr Contogeorgis, Member of the Commission. — *(GR)* Madam President, I should like to inform Parliament that the Commission has already given its attention to this matter and is studying the proposal for fixing a transitional period for the maximum

weight-limit of 40 tonnes for lorries. However, since the matter is tied up with other technical problems on which work has not yet finished, the Commission has still not taken a decision. However, I can assure Parliament today that the Commission has already taken the matter in hand and is moving in the right direction to accept Parliament's opinions concerning the maximum weight-limit of 40 tonnes. I hope that in the near future the Commission, as soon as it has finished with the governments of the Member States and the study of certain technical matters connected with the 40-tonne weight-limit, will be in a position to announce its final decision.

President. — I call Mr Adam.

Mr Adam. — Madam President, with regard to the comment by the Commission on the machine translation report, can the Commission tell us how far their revised proposals will, in fact, meet the views of Parliament, and how far they are prepared to go with the supplementary recommendations that we made at the last part-session? The comment in the document is not really very informative at all.

President. — I call Mr Narjes.

Mr Narjes, Member of the Commission. — *(DE)* Madam President, there is no basic objection to making this facility available to Parliament as well. However, the nature of the programme is such that there are obviously limitations as regards the choice of texts and capacity.

President. — I call Mr Moorhouse.

Mr Moorhouse. — Madam President, I should like to thank Mr Contogeorgis for his statement about the draft directive on heavy lorries and for the relatively reassuring statement he has made. I am sure he is aware that the European Parliament's opinion setting a maximum limit of 40 tonnes on 6 axles is absolutely crucial to reaching a common decision throughout the Community. He will appreciate that, in the United Kingdom at least — and I believe that this would apply to other Member States as well — a figure higher than 40 tonnes would be totally unacceptable. Would he be good enough to bear this point in mind while the Commission continues to make its technical assessment? Would he also recall the many environmental safeguards which we were concerned to build into the resolutions, not least the limits which were set on axle-weights? Would he care to comment on this latter point, on axle-weights, as to the particular proposals which he would put before the House at a later stage?

¹ For details concerning the allocation of speaking-time, time-limits for the tabling of amendments and the procedure without report, see the Minutes of this sitting.

² See Annex.

President. — I call Mr Contogeorgis.

Mr Contogeorgis, Member of the Commission. — (GR) Madam President, I should like to say that the Commission really has taken notice of the opinions expressed in Parliament concerning the weight of lorries. This is one of the reasons why it has not yet been able to give its final decision, as it wants to satisfy Parliament's wishes. However, all the technical problems which, as I said earlier, are connected with the matter must be solved first. As regards what the honourable Member of Parliament said, these matters will certainly be taken into account when the Commission draws up its final decision.

President. — I call Mr Paisley.

Mr Paisley. — Can the Commission tell us what progress has been made in regard to Mrs Martin's report and the resolution of this Parliament concerning new help for the distressed areas of Northern Ireland?

President. — I call Mr Andriessen.

Mr Andriessen, Member of the Commission. — (NL) Madam President, the Commission noted the opinion expressed on this matter by Parliament at its last part-session and is now looking into ways of complying with that opinion.

President. — I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — My question really follows on the question just asked by Mr Paisley. Looking at page 3, paragraph 5 of the English translation, it seems that there are an awful lot of reports which the Commission has taken note of. I think this House wants to know what they are doing about it. I do not think this is the moment to go through each and every one of them and ask the Commissioner what he is doing about it or what he is going to do; but I think there must be a mechanism agreed between the House and the Commission for a definite timescale for submitting a report to this House — perhaps on Mondays — on what they have done, or if they have done nothing, to say so and say what they intend to do. This really is an unsatisfactory way of proceeding, and I for one am not prepared to go along with it much longer.

President. — I call Mr Andriessen.

Mr Andriessen. — (NL) Madam President, I understand the remarks made by the Honourable Member. I

am able to assure him that my own limited experience of this important item on the agenda of Parliament has also convinced me of the need to look more closely at our procedure. I am not quite sure how best that can be done: perhaps by a combined action or in some other way. We for our part will consider, firstly, the best way of going about this and secondly, the content of this procedure. I believe that to be necessary if Parliament is to exercise its responsibility of control.

5. Treatment of petitions

President. — The next item is the report by the Committee on the Rules of Procedure and Petitions on its deliberations on petitions.

I call the committee chairman.

Mr Nyborg, chairman of the Committee on the Rules of Procedure and Petitions. — (DA) Madam President, I am glad of this opportunity to give a brief *résumé* of the way we have dealt with petitions in the first half of 1981. The details will be found in the communication we have drawn up for Members, and I am surprised they have not received it yet. At any rate I hope there is one copy of it on the high table, if I may call it that, so it can be annexed to the Minutes.

This communication is one feature of the procedure for dealing with petitions which was introduced under the Rules of Procedure to ensure greater publicity for the petitions sent to this Parliament.

Since direct elections, the number of petitions addressed to Parliament has increased sharply. In the 1980 parliamentary year, altogether 80 petitions were received, whereas we never used to receive more than 20 a year; so the number has increased fourfold. There is no reason to suppose that it will drop off in future; on the contrary, this trend shows that since direct elections Parliament has become an institution of which the ordinary Community citizen is aware — all the more reason for drawing the attention of Members and public opinion to the work done by the Committee on the Rules of Procedure and Petitions in connection with these petitions and the conclusions they have come to.

This first communication to Members concerns petitions dealt with by the committee in the first half on 1981. It indicates which petitions the committee declared inadmissible (these, I may say, are a very small fraction of the total) and the procedure adopted in regard to all the others. The usual procedure is that, after the committee has received the petitions and declared them admissible, they are referred to the committee or committees responsible with a request for an opinion. The great majority have been dealt

Nyborg

with in this way. In the case of altogether 38 petitions in this first half-year, the procedure ended in the opinion of the committee responsible being forwarded by the President of Parliament. This has, however, entailed considerable delays, because it has been difficult for the various committees to deal with the petitions quickly enough on top of all their other work: sometimes the delay has been far too long, as much as a whole year. I regard this as very unfortunate and something we must try to avoid in future, because such delays will not help to give our citizens and public opinion a good impression of the European Parliament.

The committee therefore decided at its meeting in May to use another provision in the new Rules of Procedure, Rule 101 (4), which gives the committee the chance of fixing a time-limit for the committees responsible to deliver their opinions. The committee believes that this will mean other improvements. At the same time, we ask the Members and the other committees to understand that, even if they have a heavy workload without this, it is essential to deal with petitions as quickly as possible. It is a question of Parliament's image.

In addition, some petitions are dealt with by our own committee without reference to other committees. This normally happens where Parliament has adopted a resolution recently on the matter which forms the subject of the petition. In such cases, the procedure is concluded with a letter to the petitioner enclosing the relevant reports and resolutions of Parliament.

The committee finds it necessary to draw up a report on a petition in only a few cases. In the first half of this year this happened only once: that was on the subject of the incompatibility of the French monopoly in regard to insemination with the provisions of the Treaty — a report by Mr Patterson which was adopted without debate in the June part-session.

Finally, let me say that I hope Members will study this communication closely, for petitions, as I said earlier, are an important aspect of Parliament's links with the individual citizen, even if they do not appear very often on Parliament's agenda.

6. *Waiving of parliamentary immunity*

President. — The next item is the report by Mr Fischbach, on behalf of the Legal Affairs Committee, on a request to waive the parliamentary immunity of a Member (Doc. 1-321/81).

I call the rapporteur.

Mr Fischbach, rapporteur. — (FR) Madam President, ladies and gentlemen, to avoid from the start any

misunderstanding which might arise during this debate, I should like to quote Rule 5 of our Rules of Procedure to you:

Any request addressed to the President by the appropriate authority of a Member State that the immunity of a Member be waived shall be communicated to Parliament and referred to the appropriate committee. The appropriate committee shall consider such a request without delay but shall not go into the merits of the case. It shall hear the Member concerned on request. If he is in custody, he may have himself represented by another Member. Should a Member be arrested or prosecuted after having been found in the act of committing an offence, any other Member may request that the proceedings be suspended or that he be released. The report of the committee shall be placed at the head of the agenda of the first sitting following the day on which it was tabled. Discussion shall be confined to the reasons for or against the waiver of immunity.

Now what are the facts?

On 28 June 1979, anonymous information was given against Mrs Herklotz, a Member of this Parliament, claiming certain irregularities in the administration of a civic association between November 1974 and October 1976; Mrs Herklotz was the chairman of the association at that time. The request for the parliamentary immunity of Mrs Herklotz to be lifted has been made by the Public Prosecutor's Office at Frankenthal, in the Palatinate, and forwarded to the President of the European Parliament by the Federal Minister of Justice.

After hearing evidence from Mrs Herklotz, the Legal Affairs Committee noted that the facts which constitute the basis of the anonymous information against Mrs Herklotz are connected with her political activities, since a contribution to action to promote civic training has a direct bearing on political activity. The Legal Affairs Committee noted that the anonymous nature of the information, the delay in submitting it and the fact that the information was received by the Court in the weeks immediately following the announcement of the results of the elections to the European Parliament, by which time the competent authorities had already clarified and settled the matter — all combined to suggest that this was a tendentious complaint aimed at obstructing the Member of Parliament in the exercise of her mandate.

For all these reasons and pursuant to Rule 5 (2) of our Rules of Procedure, the Legal Affairs Committee, after discussing the reasons for or against the waiving of immunity, decided by a very large majority to recommend that Parliament should not waive the immunity of Mrs Herklotz.

Mr President, since no member of my own group will be speaking in this debate, may I say, on behalf of my group, that we support this proposal made by a majority of members of the Legal Affairs Committee.

IN THE CHAIR: MR ROGERS

Vice-President

President. — The debate is closed.

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

7. *Legal expenses insurance*

President. — The next item is the report (Doc. 1-320/81) by Mr De Gucht, on behalf of the Legal Affairs Committee, on the

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

I call the rapporteur.

Mr De Gucht, rapporteur. — (NL) Mr President, this proposal relates to coordination of the statutory and administrative provisions in the Member States relating to legal expenses insurance. Legal expenses insurance is a form of damage insurance and is listed as branch No 17 in Annex A of the Directive of 24 July 1973, which is the basic directive for the harmonization of insurance activities with a view to the coordination of statutory and administrative provisions governing access to direct insurance business with the exception of the life assurance branch and the exercise of life assurance activities. This directive, aimed at introducing freedom of establishment in the insurance sector, makes an important exception for the Federal Republic of Germany; until such time as further coordination is effected — which is expected to be done within four years of notification of the directive — that Member State is being allowed the possibility of maintaining the prohibition on its territory of combining sickness insurance, credit and guarantee insurance with legal expenses insurance, either individually or in conjunction with other classes of insurance.

The purpose of the proposal from the Commission to the Council on the subject of legal expenses insurance is to complete the coordination first started by the Directive of 24 July 1973 and to abolish the prohibition on combined insurance activities in the case of legal expenses insurance too. The Commission's proposal has two purposes: to ensure freedom of establishment for legal expenses insurance and, so as to make that freedom of establishment possible, to include in the directive a number of measures aimed at removing conflicts of interest between the insurer and the insured party or at least at limiting such conflicts,

which are frequent in this sector of insurance, to the absolute minimum.

This directive takes as its basis the concept of freedom of establishment, although it must be noted that the fact that one Member State still has the possibility of requiring insurance companies which are active in several different branches — the multi-branch companies — to entrust settlement of claims to a legally independent firm amounts to a clear infringement of the right to freedom of establishment and does not differ greatly from the exception already made in the directive of 24 July 1973.

The Commission's proposal contains six measures to prevent conflicts of interest between the insurer and the insured party:

1. separation of the management of legal expenses insurance from other branches in multi-branch undertakings;
2. for the same undertakings, a requirement to keep separate accounts for the legal expenses and other sectors where certain other regulations may possibly apply (I have in mind credit insurance, which has been the subject of a separate Commission proposal);
3. the requirement to include the legal expenses guarantee in a separate contract or at least to make a clear distinction in the clauses applicable to it;
4. the insurer is required to provide information to the insured party on possible conflicts of interest which may arise in a multi-branch company which also accepts legal expenses business;
5. a guarantee of the right to choose a legal representative freely;
6. separation of the personnel responsible for legal assistance in a specialized company that is to say, a company which undertakes only legal expenses insurance but does have links with other companies active in the same sector.

The Commission believes that these six measures aimed at eliminating conflicts of interest create the conditions necessary for removing the prohibition on joint activities which was still maintained in the 1973 basic directive. There was a fundamental difference of opinion in the Legal Affairs Committee on the position adopted by the Commission. It was therefore made the subject of a wide-ranging exchange of views which led to a general vote on the two systems: firstly, the system of multibranch companies responsible both for legal-expenses insurance and for other sectors of insurance — with the proviso that a number of conditions must be met to prevent conflicts of interest — and, alternatively, a deliberate distinction between the practice of legal-expenses insurance and other branches of insurance. This general vote revealed a small majority in favour of the system of multi-branch companies with guarantees for the insured party. The result of the vote was ten in favour and ten against, so that the committee chairman's vote was decisive.

De Gucht

I should like briefly to indicate the principal objections made by the ten opponents. Firstly, they felt that in its present form the directive provided only a formal solution to conflicts of interest and in reality would have no effect. Secondly, they maintained that the proposed system was a hybrid arrangement allowing two different systems to coexist, i.e., multibranch companies on the one hand and on the other a compulsory separation of damage settlement, the system which will in all probability be maintained in the Federal Republic of Germany. Finally, the opponents maintained that in this proposal for harmonization, formal freedom of establishment seemed to outweigh protection against conflicts of interest. It was thus a clear example of minimal harmonization.

Nevertheless, the Legal Affairs Committee feels able to support the broad lines of the Commission's proposal and therefore delivers a favourable opinion on it.

President. — I call the Commission.

Mr Tugendhat, Vice-President of the Commission. — Mr President, the proposal for a directive on legal expenses insurance has two aims, the rapporteur has said. The first is to achieve freedom of establishment for this class of insurance in Germany, where compulsory specialization at present prevails. This compulsory specialization prevents composite insurance companies from other Community countries from becoming established in Germany and thus in effect insulates the German market in this type of insurance from any outside competition. Under the 1973 directive, this situation, which is, of course, the complete antithesis of freedom of establishment, is allowed to continue for a short time only.

The second aim of the directive is the adoption of measures to prevent, as far as possible, conflicts of interest between an insured person covered by a legal expenses insurance policy and his insurer. Such conflicts of interest might arise, for example, where the same insurer covers the insured person for third party liability and another insured person involved in the case as well. I say as far as possible, Mr President, because an analysis of the situation shows that it is impossible to prevent such possible conflicts of interest altogether.

Let me, if I may, set out some of the ways in which our proposal seeks to improve, in the majority of Member States, the position of the consumer — that is, of course, the policy-holder. The most important measure in this respect is Article 5 of the directive, under which the legal expenses insurance policy-holder may freely choose the lawyer who is to defend his interests. This freedom of choice of a lawyer represents a considerable improvement, since it is at present not allowed by many of the composite insurance companies. We introduced the clause because we

feel it is a dangerous practice for a composite insurance company in the countries of the Community, except Germany, to dismantle their internal structure and split into two in order to adopt a specialization system. The system would only create other political conflicts of interest between the policy-holder and the insurer. It would surely, therefore, be unreasonable to suggest that nine out of ten members of the Community should change their insurance practice to suit the tenth when there is no objective case for doing so.

I should like, however, to refer to a clause which may be included mainly in order to adapt the directive to the situation in Germany where specialization is compulsory, because I think it is important that, though the others should not have to move too far towards Germany, there should be some special provisions made in order to meet the problems which arise in the German market. We have left open the possibility that a state may require that a composite insurance company, wishing to become established on its territory, must delegate the settlement of claims and the legal expenses insurance sector to a company which is a separate legal entity. That is Article 3 (3).

This option would exist for all Member States, but is likely to be of primary interest to Germany and, possibly, to the Netherlands, where such an arrangement already exists and operates satisfactorily. These states, like the others, would thus have a choice of accepting composite insurance companies as such, or requiring them to use a separate company for the settlement of claims.

The Commission's services have held a number of meetings with government experts on this issue and have examined thoroughly the legal and financial aspects. A number of solutions have been considered. The proposal which the Commission has already adopted may not be perfect, but in our judgment it represents the best available means of achieving our object, by which I mean the proper protection of consumers, through the prevention of conflicts of interest and the achievement of freedom of establishment in this field throughout the Community, including the Federal Republic of Germany.

Parliament's Legal Affairs Committee has, after considerable discussion, adopted a draft resolution approving the general philosophy of our text. I hope very much that Parliament itself will in turn be able to approve the approach. But before concluding, I should say a word about the amendments that have been tabled which we have only received this afternoon, and some of which are, I am afraid, in languages that I do not speak or . . .

Mrs Seibel-Emmerling. — (DE) Mr President, may I point out that as draftsman of the opinion of the Committee on the Environment, Public Health and

Seibel-Emmerling

Consumer Protection, I do not think it is very fair for the Commissioner to be heard before the committee rapporteurs.

President. — The point at which the Commissioner generally speaks in the debate is left to the President. According to my speakers' list Mr Tugendhat was to come in to explain the Commission's report, which might well be helpful to the debate or not. The point at issue now is that it would be very unfair to you to start presenting your opinion and then for me to cut you off within a minute.

8. Question Time

President. — The next item is Question Time (Doc. 1-334/81).

We begin with questions to the Commission.

Question No 1, by Mr Hutton (H-135/81):

In the paper 'Reflections on the Common Agricultural Policy', the Commission says: 'Efforts to improve the structural aspects of the Common Agricultural Policy should be accompanied by initiatives in the forestry sector'.

What initiatives does the Commission propose to take?

Mr Thorn, President of the Commission. — (FR) Common measures in the forestry sector, including the planting of trees on agricultural or fallow land would be highly desirable. However, I must draw the Honourable Member's attention to the fact that the Council must first take a decision on the series of measures proposed by us in the Commission three years ago — i.e., in 1978 — on which no action has since been taken.

Mr Hutton. — Mr Thorn does not appear to have answered the question that I put. He has told us what the Commission has done in the past; would he now be in a position to tell us what, in view of the fact that world consumption of wood will nearly double to 4 billion cubic metres in a decade, the Commission intends to do in the initiatives he has promised us in the 'Reflections on the Common Agricultural Policy'? Are these going to be the same as he has already proposed or has he got something new?

Mr Thorn. — (FR) If I was as laconic as that in my brief reply, my reason was to allow for the possibility of new initiatives. We must first obtain the agreement of the Council to implement those measures which have been blocked now for three years. Although I am not a leading specialist in this area, I must agree with Mr Hutton in expressing my disappointment at the

fact that so little has been done in this sector. It seems to me that the Council is showing a lack of understanding. Since I have been given a text in English for the attention of Mr Hutton, may I now reiterate briefly in English what we have actually proposed to the Council?

(The speaker continued in English)

In 1978, the Commission submitted to the Council proposals for, first, a recommendation on forestry policy, the general principles of a policy on wood production compatible with other aims such as the conservation of nature and protection of the environment, public exercise and recreation, wild-life management and hunting, and, secondly, a decision to set up a standing forestry committee, which should be the very beginning of our policy. The Council has not yet taken the slightest decision on these proposals.

What other activities, asked Mr Hutton, concerning forestry does the Commission intend to conduct? Well, the coordination of forestry policies of Member States, meetings of the heads of forestry services, the objectives and principles of forestry policy in the Community, meetings of directors of forestry research institutes, the coordination of research, a common programme on Dutch elm disease, oakwood as raw material, energy of biomass and so on, cooperation in the field of forest-fire protection and prevention, timber supplies for timber industries, the harmonization of forestry legislation, tree seeds and nursery plants, phytosanitary measures, the classification of wood in the rough, freedom of establishment and the provision of services, self-employed persons in forestry and lodging. Then come the structural measures concerning, first, Mediterranean zones of the Community, second, the West of Ireland, third, the Western Isles of Scotland, fourth, the Department of Lozère, fifth, French Overseas Departments. Those are a lot of programmes which, as I recalled, are before the Council, but we still wait for the first meeting of the Council concerned with these problems.

President. — Question No 2, by Mr Fellermaier, for whom Mr Sieglerschmidt is deputizing (H-137/81):

Does the Commission agree that following the statement by General Evren the time has come to suspend the EEC-Turkey Association agreement?

Mr Thorn, President of the Commission. — (FR) On 12 September 1980, the Commission stressed the importance which it attaches to democracy and respect for human rights in Turkey. The position adopted by the Commission following the *coup d'État* remains the same. It has had repeated occasion to reaffirm this point of view, in particular during the debates in the European Parliament in November 1980 and April 1981.

Thorn

The Commission is following the evolution of the political situation in Turkey with extreme vigilance. The restoration of democratic institutions remains an objective over which the European Community cannot compromise, and we in the Commission are taking as close an interest in this matter as you are in the European Parliament.

May I add that I personally, like all my colleagues, have lost no opportunity to stress this point during meetings here in Strasbourg with the Council of Europe. Without drawing public attention to this fact, I took advantage of the presence of the Turkish Foreign Minister to convey to him the concern of the European Parliament as well as that of the Commission and to bring home to him the vital need for the process of democratization to be speeded up and completed at the earliest possible opportunity.

Mr Sieglerschmidt. — (DE) I must say I find it most regrettable that Mr Fellermaier's question, which I have taken over, has not in fact been answered at all. You did not refer to the declaration made in General Evren's June speech or to the question as to whether the time has now come for the Community to freeze the EEC-Turkey Association Agreement. I cannot consider your observations as an answer to the question. I shall therefore now reformulate the question in the hope that you will give as precise an answer as possible.

Mr President of the Commission, are you aware that in his famous June speech General Evren said that neither party chairmen nor members of party executives would be able to be represented in the Constituent Assembly or in the first parliament? Do you also know, Mr President, that this statement by the present ruler of Turkey — *after*, I would add, the initialling of the fourth Financial Protocol by the Community and Turkey — was unmistakably carried a stage further by the official declaration of the Turkish régime that not only members of the party executives but even ordinary members of political parties would not be allowed to belong to the Constituent Assembly or parliament? Mr President of the Commission, may I ask you whether this exclusion of millions of citizens from the right to vote. . .

President. — Mr Sieglerschmidt, the aim of Question Time is that you put a question down, it is answered by the Commission, and then you ask a supplementary question, but we don't want to go into debate. You have put three questions at least, and I think you should now allow the President to answer them. Maybe other Members will take up the issues which you raised.

Mr Sieglerschmidt. — (DE) . . . Do you not see this statement as a serious new factor which must be taken into account when assessing the Financial Protocol?

Mr Thorn. — (FR) If I did not give Mr Fellermaier the answer Mr Sieglerschmidt had expected to his question, that was in itself a form of reply. Mr Fellermaier, Mr Sieglerschmidt and I are experienced politicians and we well know that it is also possible to answer a question without actually saying yes but by saying instead, 'We are deeply concerned, we hope, etc.' You will surely agree, Mr Sieglerschmidt, that I did give a reply.

Secondly, we were informed of the facts to which you have referred and we immediately contacted the Turkish authorities to ask for clarifications and state to them that this raised extraordinary difficulties. I agree that this is a new factor which deserves investigation. But let me say quite clearly, since that is what you want to know, that we do not believe this is the time to freeze the whole association. We still think that it is necessary to react against the measures taken by the present Turkish Government. We do not share their way of thinking, we must protest and we must all of us constantly review the situation in order to see whether the limit of what is acceptable has not been crossed. We hope that it will not be crossed. At this stage, to put it bluntly and by no means diplomatically we still hope, but we welcome all the support given to us by the European Parliament in voicing its protest and in making the present rulers in Turkey aware of the pressure we can bring to bear on them.

Mr Pannella. — (FR) I think you have really done enough to satisfy our most exacting demands: Mr Fellermaier's question was not necessarily of interest to all of us. But, Mr President, you seem at length to have noticed that Parliament, too, has adopted a position, even though, if you will excuse my saying so, you were rash enough just now to confuse Parliament with your own institution. The position of Parliament. . .

President. — Mr Pannella, will you put a question and refrain from making a statement, please? Otherwise I shall rule everybody out of order and we will go on to the next question.

Mr Pannella. — (FR) Mr President, I know very well that your patience can be measured by your intolerance to minorities. I shall therefore put my question: what have you done about the fact that, according to this Parliament, the Financial Protocols should be frozen as from 15 June? That was not a mere request but a decision of Parliament. You have come to tell us that you do not agree and will not act on our decision. Have I understood you rightly, Mr President? Are you against Parliament's position?

Mr Thorn. — (FR) I have never said that I was against. The protocols have been initialled. That is all. That is the legal situation. Implementation of them does not depend solely on the Commission but on all

Thorn

the Community Institutions. Mr Pannella, you claim that I was confusing the institutions, but that was only in my enthusiasm. Do you not consider it legitimate for the President of the Commission to hope that his aspirations will match those of Parliament? Parliament, after all, often expresses the wish, and I hope one day to succeed.

Having said that, I favour the 'double way'. Let me tell you, Mr Pannella, on this point that for these protocols to be implemented, the Council, Commission and Parliament must decide, each within its own terms of reference. It is wrong to claim today that the Commission is opposed in this to Parliament. We shall have to pronounce on the matter in the weeks and sessions to come.

Mr Van Minnen. — (NL) The original question concerned the association agreement, as will my supplementary question. The questions are as old as the Turkish dictatorship and the answers are evasive, but I should like the President of the Commission, now he has spoken of the need to accelerate the process of democratization and Evren has done the exact opposite with this farce over the Constituent Assembly and the slap in the face of democracy, to tell us whether the time has not now come to implement the resolution adopted by Parliament on 10 April to the effect that the association agreement should be frozen two months later.

Mr Thorn. — (FR) Mr Van Minnen, we fully share your hope that the tendency will be reversed. We can always say no and break everything. We believe — as I explained a few months ago — that if we do break off relations — and we shall not do so gladly — we shall lose a very important means of exerting pressure on the Turkish authorities. I am therefore in the difficult situation of almost wanting Parliament to exert pressure and welcoming such pressure while also hoping that it will not mistake our intentions. I went to see the Turkish Foreign Minister and said to him: these are the resolutions adopted by the European Parliament; if you make speeches like the one we have just noted, you will be moving towards a suspension of our relations and that will be perfectly justified. I believe that after a very long interview our position was understood.

We are not here to indulge in contests of rhetoric but to see to it that the situation changes. And I hope that because Turkey needs the Community — and therefore needs your assent — it will change its policy. You are right, Mr Van Minnen, that speech did mark a turning-point and a turn for the worse. We must be quite clear about it: if Turkey embarks upon that path, neither the Parliament, nor the Commission, not yet the Council will be able to continue the policy they have tried to pursue up to now.

Mr Marshall. — In view of the history of Turkey, the chaos which reigned last year and the contribution which Turkey makes to NATO, the Commission is to be congratulated upon realizing that it would be premature to terminate this agreement. Would the President of the Commission not agree that treating the present leaders of Turkey like lepers would merely make it more difficult rather than easier to achieve the object we all have, which is the restoration of democracy in Turkey?

Mr Thorn. — (FR) I understand the praiseworthy concern felt by the Honourable Member, and would answer that the Commission has no intention of treating the Turks like lepers. Neither does it wish the present rulers of Turkey to treat democracy like a leper!

Mr Walter. — (DE) The President of the Commission is looking for the support of the European Parliament. Conversely, I would say that the European Parliament is hoping for the support of the Commission.

In the course of the next few weeks the Commission will be taking note of the initialled fourth Financial Protocol and deciding whether to recommend its adoption to the Council. May I then ask you, Mr Thorn, will you suggest to the Commission that it recommend the Council not to adopt the fourth Financial Protocol because of present developments in Turkey?

Mr Thorn. — (FR) The Honourable Member would surely not wish me to flout the rules governing the workings of our college. We shall, of course, be holding a detailed debate on this matter. Secondly, before that debate I shall see to it that the Turkish authorities are informed of our present position and I am quite sure that they will be informed of today's proceedings. If they do not have knowledge of them, I shall see to it that the information is passed on. I cannot prejudge the position of our Commission, which is a collegial body, but I can assure you that I shall convey to the Commission all that is said in this Assembly; your concern will be brought to the attention of my colleagues.

Mr Israel. — (FR) I, like everyone else, greatly appreciate what you are saying to us today and I can also understand the things which you must leave unsaid. I should just like to ask whether you are satisfied with the relations between the Commission and the Council of Ministers meeting in political cooperation in the matter of defining an overall Community position on Turkey.

Mr Thorn. — (FR) You are referring to the Turkish problem? That problem has not been mentioned in

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political cooperation, or at least not in my presence, and I think I have always attended the meetings.

Mr Kappos. — (GR) Mr President, on 10 April Parliament enjoined the other organs of the EEC to freeze and break off relations with Turkey if the people's democratic rights and freedoms had not been restored within two months. Given that the Turkish junta is continuing and intensifying its orgy of terrorism with executions, trials, convictions, and trials and indictments against the president of the DISC trade-union organization and 52 of its members, the question is what the Commission has done up to now to implement Parliament's resolution.

My second question: I should like President Thorn to comment on the shameful fact, as far as we are concerned, that the Greek Government has handed over to the Turkish junta three or four Turkish democrats who had fled to Greece for refuge.

Mr Thorn. — (FR) On the first question, it seems to me that the Honourable Member has restated Mr Pannella's question, and my answer, however unsatisfactory it may have seemed to the Italian Member, still holds good. I do not intend to try to evade these questions. You know that at present relations have not been frozen. You also know, as some of you have said, why they have not been frozen. The text adopted may have given rise to some misunderstanding. By stating that we should inform the military regime of the consequences of its inaction, we are trying to make the best of the situation. We have not frozen the agreement at this stage. But we have also not begun to implement the Financial Protocol, as you seem to fear.

We, Parliament and Commission, shall be discussing the matter further. This is a crucial juncture. I want the authorities in Ankara to know that; I want it to be stated here, and we shall soon, all of us, have to assume our responsibilities in this matter.

Mrs Baduel-Glorioso. — (FR) I think we must concede — and Mr Thorn will probably be the first to do so, as he has to all intents and purposes already done — that the vigilance shown by the Commission serves little useful purpose. That is a statement of fact. We are gaining nothing. On the contrary, the situation is worsening. The establishment of a democratic system is being constantly postponed. How much patience will the Commission and Europe show in waiting for a dictatorship to be established on the shores of the Mediterranean and in a NATO country? That is the question which I ask myself and, in conclusion, it seems to me that if we had followed the same approach to Greece the Colonels might still be there.

Mr Thorn. — (FR) I fully understand what you are saying, Mrs Baduel-Glorioso, but I think that you have been drawing your own conclusions instead of putting a question. I share your views in large measure, but think about one point: while it is true that the people in Ankara have not done what we had hoped they would do, it is far easier to ask us to break off relations and assume responsibility for the fact that thereafter there will be no further possibility of communication. Moreover, you cannot always draw a direct comparison between one country and another.

I cannot answer the aspect of the question which relates to NATO. Those measures do not concern us here but must be considered within NATO. You know, however, that Turkey is even more on the frontiers of the Community than Greece and less likely to be joining soon. Now reflect for a moment on the strategic position of that country, which extends into practically three continents. I think any politician must reflect very carefully on the consequences of an action that we might be inclined to take: the consequences might be deeply regrettable if the Turkish authorities obliged us to take the decision to which you, Madam, have referred.

President. — Question No 3, by Mrs Hammerich (H-154/81):

What action does the Commission intend to take in view of the fact that the European Parliament, by changing its Rules of Procedure, is now seeking to assume a greater degree of authority at the expense of the other institutions and in conflict with the Treaty of Rome, which merely provides for Parliament to be consulted and to deliver an opinion?

Mr Andriessen, Member of the Commission. — (NL) On the basis of articles contained in the various treaties — Article 42 EEC, Article 25 ECSC and Article 112 Euratom — Parliament, as indeed the other institutions, has the responsibility for laying down the rules by which its own internal activities are to be organized. Mr President, it is not for the Commission to seek to exercise control over this. Naturally each institution must act within the limits of the powers given to it by the treaties and must also respect the prerogatives of the other institutions. I put that point myself, on behalf of the Commission, during the debate on the new Rules of Procedure on 10 March last, when the general review of the rules was under discussion. The Commission obviously hopes that in applying its new rules Parliament will in practice take account of the requirement made by the treaties.

Finally, I should like to thank Mrs Hammerich for her most forthcoming attitude towards the prerogatives of the Commission.

Mrs Hammerich. — (DA) Thank you for your answer, which I do not, however, think was terribly clear, so I ask you again: How does the Commission intend to discharge its obligations as the guardian of the Treaty in this matter? We know from the press that concern has been felt by Members of the Commission and in the Council of Ministers because in this way, Parliament, by taking the law into its own hands, is exceeding its powers and seeking not only to be consulted but, by means of delaying tactics, to assume a negotiating position. It has been stated in the press that one of the Commission's Members has called the new Rules of Procedure . . .

(The President asked the speaker to proceed to her question)

. . . My question is this: What do you think about the fact that one of the Members of the Commission is alleged to have said that the new Rules of Procedure verge on incompatibility with the Treaty?

Mr Andriessen. — (NL) If I have understood the question correctly, I can only say that there was a clear majority decision on this aspect of the Rules of Procedure and the Commission believes that the provisions of those rules as such are not incompatible with the Treaty but that use of this specific provision might lead to such incompatibility. I referred to that point a moment ago, but until this actually happens there is no problem for the Commission as the guardian of the Treaties.

Mr Megahy. — In relation to the reply which has just been given, could we have an assurance from the Commission that they fully recognize that, whilst it is very difficult for Parliament itself to secure amendments to the Treaty with regard to increased powers, the strategy that is continually being pursued in this House is to try to get more power for the Parliament by extending the Rules of Procedure, the passing of resolutions, and so on? Could we have an assurance that the Commission recognizes this state of affairs and that it will take all steps, as guardian of the Treaty, to ensure that Parliament does not usurp any powers that are not clearly given to it?

Mr Andriessen. — (NL) I am sure you will bear with me in my wish not to pre-empt during Question Time the debates which we are to have on relations between the Commission, the Parliament and the other institutions. Suffice it to say at this stage of the discussion that I interpret the provisions of the Rules of Procedure as an optimization of the powers of Parliament rather than as any undermining of the powers of the other institutions.

Mr Bonde. — (DA) Mr President, if it is stated in a police regulation that it is forbidden to keep cows in

the cellar, then it is forbidden. But if there is nothing in the regulation about its being forbidden to keep elephants in the cellar, that does not mean you can assume that it is permitted to keep elephants in the cellar. Therefore, I should like to ask Mr Andriessen what authority can be accorded these Rules of Procedure, which allow resolutions — which, according to the Treaties, have to be adopted by Parliament assembled in plenary sitting — to be adopted in future by committees, on some of which, moreover, not all the nationalities belonging to the Community are represented. One last question: Will the Commission regard resolutions adopted by a committee as valid?

Mr Andriessen. — (NL) There is no objection whatever to taking account of such committee resolutions in the general procedure. Although the Treaties state that Parliament can adopt resolutions, this in practice is by no means an obstacle to consultations between the Commission and Parliament. I believe this is frequently the case, and I hope it is done to Parliament's satisfaction.

Mr Paisley. — Would the Commissioner simply confirm or deny that this Assembly has no more real power than it had when it was a non-elected nominated body, and can it have any more power except the Treaty be amended?

Mr Andriessen. — (NL) In a word, I cannot confirm that.

Mr Patterson. — Would the Commission on the contrary agree that what Mrs Hammerich calls a greater degree of authority by Parliament is wholly to be welcomed as making the European Community more democratic? Would the Commission now draw the general conclusions from these changes in the rules and give a general undertaking that when Parliament rejects a proposal the Commission will withdraw it and when Parliament amends a proposal the Commission will accept those amendments?

Mr Andriessen. — (NL) My answer to the first question is yes. The second point can be discussed during the institutional debate later this week.

Mr Harris. — Does the Commissioner recognize that the negative position adopted by Mrs Hammerich and her fellow anti-Marketeers does not represent the view of the majority of Members, and is he aware that most of us regard this development as one of the most significant and proper steps in the building of this Parliament into a force to be reckoned with, particularly in its role as a constructive monitor of the Commission?

Mr Andriessen. — (NL) In my first answer I made it perfectly clear that the Commission is aware of the fact that a majority of Members of Parliament wanted this change. The Commission is perfectly willing to enter into constructive discussions of the possibilities and powers created here by Parliament.

President. — Question No 4, by Mr Davern (H-181/81):

On 4 July 1980, the Commission stated, in reply to my question No 1891/79¹ on Community agricultural surplus, 'that some substitute products, particularly manioc, offered disquieting competition to Community cereals, especially fodder, wheat and barley.' Furthermore, the Commission stated that it had started negotiations with Thailand, the world's principal exporter, for the adoption of a ceiling on exports and that it had been asked by the Council to negotiate with other manioc exporters. Can the Commission state what results have since been achieved?

Mr Thorn, President of the Commission. — (FR) In November 1980, the Commission concluded a draft self-limitation agreement with the Thai Government with a view to stabilizing manioc exports to the Community. On the basis of that draft agreement, the Council authorized the Commission to enter into negotiations with other suppliers. Contacts were then opened, in particular with Indonesia, which is our largest supplier of manioc after Thailand (although accounting for only 8% of our total imports), with a view to holding negotiations aimed at finding the most appropriate solution.

Mr Davern. — First of all, Mr President, you remarked that you were delighted that the President of the Commission was giving brief replies. I would like to disagree with that remark. I think it is the essence of Question Time that replies should be detailed and clearly formulated. My second point, Mr President, refers to the language used by Lord O'Hagan shouting across to Mr Megahy. I think he owes an apology to this House for using the words he did.

President. — Mr Davern, in answer to your second point, I did not hear anything.

Mr Davern. — It was shouted very clearly across this House. I could hear it and I am sure a lot of other Members could hear it too.

President. — Mr Davern, I did not hear it. If I had heard it, I would have called the Member to order.

On the first statement that you made, I would like brief answers from the Commission. If Members want detailed answers on complicated questions, there are other courses of action open to them, such as, for example, submitting a written question. The Rules of Procedure make this quite clear.

Mr Davern. — Last year, Thailand had its highest-ever production of manioc — over eight million tonnes. A limit of five million tonnes, which is the average annual production of Thailand, has now, I understand, been negotiated. The companies controlling these exports from Thailand, including the shipping arrangements, are five Dutch and five German companies, which have failed to reach agreement with the Thai Government. In fact, they have brought threats to bear on the Thai Government, as well as exploiting the fact that they are taking 85% of its manioc exports, to stop the Thai national companies themselves from having these exports. In view of all these facts, can we ever have an oil-and-fats policy in this Community?

Mr Thorn. — (FR) I have not been informed of the facts to which the Honourable Member refers. After consulting my colleagues I would tend to give a negative reply to his question, but I know nothing about these threats. Moreover, they were not apparent from the question put to me.

Mr President, I had been asked what results have since been achieved and our departments informed me that there is a self-limitation agreement and that other negotiations are continuing. Reference has now been made to the rôle of certain exporters. In all honesty, I must say that I am not aware of this problem.

President. — Question No 5, by Mr Flanagan (H-182/81):

Can the Commission state whether or not it has any solution to the problem of people who are officially registered as unemployed but who work either part-time or full-time, thereby abusing both the taxation system and the social welfare system?

Mr Richard, Member of the Commission. — The supervision of Member States' social security systems is the responsibility of the Member States. We should, I think, try and get this issue into some kind of perspective. By definition there is little direct evidence of its extent, but the Commission takes the view that the problem, while serious, is not of the highest priority. Nevertheless, in the document which was submitted to the Standing Employment Committee on 19 May this year, the Commission expressed the opinion that Member States should 'monitor their social protection policies in order to avoid abuse and tackle the problems of the black economy with a view to bringing it

¹ OJ No C 206, 11 August 1980, p. 4.

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into the framework of the normal economy'. That remains the Commission's view.

Mr Flanagan. — Am I correct in interpreting the reply as saying that it is not a function of the Commission, even though the problem is one which they recognize exists — an abuse which is prevalent in the Community — that the Commission does not feel that it has a direct rôle to play in it and that it is a matter for national governments to deal with?

Mr Richard. — Yes, in general terms. But obviously it is an issue that has been brought to the attention of the Commission. It is a factor when one is considering unemployment, and the Commission has made its views known. But in terms of actually issuing some kind of directive to Member States, no, I do not think that it is our responsibility.

Mr Boyes. — A certain Mr Heath, once the Prime Minister of the United Kingdom until he challenged the British miners, warned last week that if measures to reduce unemployment, especially amongst young people, were not urgently introduced, then there could be severe consequences, including social unrest. In view of the fact that his prophesy was fulfilled within less than a week, by the outbreak of violence in Liverpool, quite clearly triggered off by the unacceptably high level of unemployment, would the Commissioner comment on what Mr Heath said, but above all, would he inform us what very short-term measures he was hoping to have introduced to tackle this tremendously difficult problem.

Mr Richard. — Well, I must say I have been asked a question about the black economy, and I am now asked to produce, at the drop of a hat, the whole of the Commission's proposals to deal with the unemployment situation in the Community. I would be delighted to do so, but I really do not think this is the time or the place, nor do I have the necessary time in which to do it.

On the general point raised by the honourable Member, I am asked whether I would confirm what Mr Heath said. No, I would not confirm it, neither would I deny it, except merely to say this, that in its documents on unemployment and, indeed, in its communication to the so-called Jumbo Council this year, the Commission drew attention to what we believe to be the implicit and inherent social tensions which can arise if unemployment remains at its present level.

Sir Brandon Rhys-Williams. — Would the Commission not agree that it is in fact implicit in every nation's tax system, and in every Member State's system of support, that the beneficiary or the taxpayer is entitled

to a minimum income guarantee, and would it not be better if the Commission sought to make this explicit — namely, that every European citizen is entitled to a minimum income guarantee so that we could then proceed to do away with the artificial and painful distinction between those in full-time work and those who are wholly unemployed and set every citizen free to take work, whether full-time or part-time, according to his capacity and inclination?

Mr Richard. — That is a very interesting thesis, but I really must make the same comment as I made to the last questioner, which is that I was asked a question on the black economy, I am now asked to comment upon a minimum income for the whole workforce in the Community. With great respect to the honourable gentleman, it does not arise in the question. If he cares to put a question down on it I should be delighted to consider it and to see what answer I can give him.

Mr Seal. — Would the Commission not agree that there is an even greater problem posed by people who do not register as unemployed, thereby making the figures look too low — as in the United Kingdom — and by people who are entitled to benefits but too proud to claim them? Since, as the Commissioner has already said, this question has nothing at all to do with this Parliament or the Commission, would he therefore not advise local authorities in particular to follow the lead of Bradford and to issue a leaflet to all the people in the area setting out very clearly the benefits which they are entitled to claim?

Mr Richard. — Yes.

Mr Provan. — I am grateful to Mr Flanagan for having raised this question and I refer specifically to abusing the social welfare system, so that the Commissioner understands to what I am referring. Is the Commission aware that a farmer, a President of the National Farmers' Union branch in Lannock, Scotland, last week was awarded social security benefits — supplementary benefits, in fact — because his farm income was so low? Will the Commission acting as a collegiate body, therefore do something very, very urgently to make certain that we get claw-back arrangements satisfactorily resolved for the future benefit of Scottish agriculture?

Mr Richard. — I must say that I marvel at people's ingenuity. As far as the social security system in Scotland is concerned, I am sure that a benevolent administration in Whitehall makes it just as available to farmers in distress as it does to anybody else. As far as claw-back is concerned, I have no doubt that a detailed question on that will be answered by the appropriate Commissioner.

Mr Eisma. — (NL) Does the Commission agree that this question forms part of the campaign being conducted against the unemployed and others who make use of social security, especially as we have no relevant statistical data, and that a question of this kind is consequently almost intolerable?

Mr Richard. — It would be a very rash Commissioner who commented upon the motives behind questions that are put down for him to answer. I merely reiterate what I said in my opening remarks, which is that the Commission, while it regards this as a serious issue, does not regard it as one of the highest priority.

Mr Enright. — Would the Commissioner not agree that the abuse of the taxation and social welfare systems is not one way and that in fact member governments do themselves abuse those systems, particularly the United Kingdom in its implementation of the third directive on equal treatment for women under social security?

Mr Richard. — I should like to have an opportunity of considering my answer. It goes slightly wider than the terms of the original question, but if there is abuse, whether it be on the part of individuals or member governments, it is something which the Commission would wish to take seriously.

President. — Question No 6, by Mr Welsh (H-185/81):

Further to its written answers to my oral questions (H-766/80)¹ and (H-84/81),² would the Commission make a statement on its intentions as regards the exercise of its powers under Article 93 (2) of the Treaty of Rome to end the subsidization of gas-prices to Dutch growers, which continues to cause severe distortions in the market for horticultural products (see answer to question H-411/80)?³

Mr Thorn, President of the Commission. — (FR) In May the Commission was informed by the Dutch Government that the reduced tariffs for gas intended for horticulture and industry in the Netherlands would be gradually phased out over a transitional period ending on 1 April 1984.

The Commission welcomed this positive — albeit, you may say belated — reaction to the proceedings which we in the Commission had instituted under Article 93 of the Treaty. On the other hand, we have informed the Dutch Government that we cannot terminate our

proceedings unless the transitional period is considerably shortened. Our opinion is that the April 1984 time-limit is far too long, and we are now awaiting a further reaction from the Netherlands Government, with whom we are in contact, by the autumn. We hope that they will agree to shorten the time-limit considerably in response to our request.

President. — Before I call Mr Welsh for a supplementary, may I say that the President ruled at the last sitting and announced that individual assistants of Members are not allowed to sit in Members' seats, except when a Member is preparing a report. Will those secretarial assistants sitting in the Chamber please now leave it? Political groups have a place for their assistants.

Mr Welsh. — I am grateful to the Commission for that reply, which does advance the case a little further. But is he not also aware that at the very same time the Dutch Government announced an aid of 300 million guilders, or £ 60 million, for their horticultural industry to tide them over the transitional period? Would he not say that aid which in fact perpetuates and supports what the Commission has admitted is a gross distortion of the market should not be allowed and should be prosecuted under Article 93 (2)?

Mr Thorn. — (FR) The fact mentioned by the Honourable Member is at present being looked into by the Commission, and if it is confirmed without any satisfactory explanation we shall have to react accordingly, as you, Sir, have requested.

We hope that despite the political situation in the Netherlands we shall be able to react and obtain satisfaction from the Dutch Government.

Mrs Ewing. — My question is really rather a simple one. I should like to ask the Commission whether it is permissible for the UK or any other Member State to do as the Dutch do at the moment and extend glass-house fuel aid to coal and gas, which appears to be in the best interests of the Community with regard to diversifying uses of energy?

Mr Thorn. — (FR) My answer, of course, is that we could not accept that. In all frankness and to give a full picture, I would remind you that initially the Dutch Government introduced this aid measure to enable market gardeners to convert from fuel-oil — which is considered to be a pollutant in the horticultural sector — to gas. The aid measure subsequently became a distortion of competition and that is why the Community has reacted and still is reacting. Therefore the arguments which apply to the Netherlands obviously hold good for the rest of the Community.

¹ See Debates of Wednesday, 11 March 1981, p. 140.

² See Debates of Wednesday, 6 May 1981, p. 156.

³ See Debates of Monday, 13 October 1980, p. 34.

Mr Seeler. — (DE) You will surely agree with my observation that equality of opportunity is a central feature of the European Economic Community. You have also stated that the Netherlands market gardeners who cultivate their crops under glass will continue to enjoy a considerable benefit in the shape of cheaper energy prices until 1984. Would you not agree that there is now little point in holding up the prohibition of this unequal treatment until many other concerns have been put out of business by this unfair competition, as is already the case in my own constituency? Do you not rather think that the Commission should act right now instead of waiting to see whether the Netherlands will fall in with our wishes over the next few years?

Mr Thorn. — (FR) We are well aware of the point you have just made. We know how hard and unfair competition has become as a result in your constituency and indeed elsewhere. We have discussed the matter in great detail in the Commission and we think an immediate response is necessary, but you must understand that these concessionary prices are laid down in a contract between a market gardeners' organization and the gas suppliers.

The Dutch Government is not a party to that contract. I realize that it can bring influence to bear on the two partners, but you will surely be aware that there has been an election campaign in the Netherlands and attempts are still being made to form a government.

You are a politician as I am, and you will know that in the present conditions it is very difficult to find anyone to speak to who will tell you something definite and be prepared to commit himself. But I share your opinion that in the present difficult situation we should continue our efforts, because this really is becoming an excessive distortion which is intolerable for competition.

Mr Beazley. — Could the President of the Commission kindly advise us how long he expects it to be before he gets a satisfactory answer from the Dutch Government, bearing in mind the very considerable delays which have occurred in the past when we have waited for answers and the very considerable damage which has been caused to the industry of other Member States?

Mr Thorn. — (FR) As I have already said, that depends to some extent on the formation of a government. You will appreciate that there are many persons in authority at present who prefer to shelve things. That is a fairly general characteristic of human nature. The sooner a government is formed, the easier it will be to exercise more binding pressure. Our assumption is that we shall not have a formal answer until the autumn.

Lord O'Hagan. — While appreciating the sensitivity of the President of the Commission towards the current uncertainty in the Dutch political situation, would not the Commission accept that just as much as there is a sensitive position within the Netherlands, there is a continued progression of jobs lost and businesses bankrupted because of a distortion caused by the Dutch subsidies? Would the Commission not accept that if national subsidies of this nature continue to extend and proliferate the CAP itself in its present form and perhaps even in the future is in danger, and will the Commission now undertake that when these subsidies become evident at a future date action will be taken far faster than in the case of the Dutch subsidies on gas for horticultural purposes, where many other jobs in Mr Seeler's constituency and in mine have been either threatened or destroyed because of the failure of the Commission to act politically and on time?

Mr Thorn. — (FR) My answer to your three questions is clearly and definitely in the affirmative. You are quite right and we must react. You will see that in our document on the mandate we describe aids as a menace which, especially in the present circumstances, must be more severely controlled.

Mr Van Minnen. — (NL) Most of the questioners are over-optimistic about the speed with which cabinets tend to be formed in the Netherlands. Dutch tomatoes definitely grow faster! Be that as it may, my question is whether the Commission does not consider there is excessive spite and envy here because growers elsewhere are clearly not able to cultivate the same superb and juicy tomatoes, and whether it is not rather exaggerated to react to that handicap by urging measures against Dutch growers even though the Dutch Government has already promised to put an end to the subsidies and is engaged in doing so.

Mr Thorn. — (FR) I think Mr Van Minnen in fact wanted to put his own point of view, which I respect. He did not really ask for a reply from the Commission.

President. — Question No 7, by Mr Purvis (H-186/81):

Will the Commission indicate the latest position in their attempt to reach a voluntary agreement with the steel producers and whether they expect such a voluntary agreement to be in effect by 1 July 1981, when their crisis measures under Article 58 of the ECSC Treaty lapse?

Mr Narjes, Member of the Commission. — (DE) The Commission has for months endeavoured in numerous discussions with representatives of the steel industry and the governments to achieve a voluntary agreement

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among the steel producers to take over from the system of renewable quotas pursuant to Article 58 of the ECSC Treaty after 30 June 1981. I would refer you in this connection to the Commission's answer to Written Question 99/81, by Mrs Lizin.

At its meetings of 4 June 1981 and 24-25 June 1981, the Council of Ministers has now taken the following decisions on a proposal from the Commission:

1. In the case of hot rolled wide strip and hot rolled strip (Group I) and derivatives of those products (Groups I a-d), a quota system will be introduced pursuant to Article 58 for the period from 1 July 1981 to 30 June 1982.
2. The same solution will be adopted for concrete reinforcing bars (Group V) and merchant bars (Group VI).
3. In the case of plate rolled from squares and universal plate (Group II), heavy steel sections (Group III) and wire rods (Group IV), there will be a voluntary agreement supervised by the Commission.

The Commission has thus established a new system applicable after 30 June to restore order to the Community steel market. I am able to tell you that all the Member States have now accepted these decisions.

Mr Purvis. — Does the Commission still intend to try and reach a voluntary arrangement in the portion that is still under a quota system by the end of June 1982, or does the President expect that this will continue as a compulsory quota system? Could he explain what the arrangements are with regard to the national aids, which, I understand, are to be phased out by 1985; how can he assure us that there will be no leap-frogging in national aids to national steel companies and to the detriment of competition in the industry?

Mr Narjes. — (DE) In response to the first part of the Honourable Member's question, I can only refer him to the answer I have just given.

As to the second part, the Commission is assuming that the decisions adopted by the Council of Ministers on the aid system will be implemented with full stringency. The same applies to the price agreements, and I have not been informed of any circumstances which raise doubts about the fulfilment of that expectation.

Mr Caborn. — First of all, could I say that the agreement that was reached on 24 and 25 June is very difficult to get hold of in detail, and we should not be asking questions of this nature if the Official Journals were out or at least some reports from these meetings were available. I tried for two days in Brussels last week and was unable to obtain a copy. However, could I ask the Commission whether, in view of the statement that is made and the arrangements that were drawn up on 24 and 25 June, the categories of special

steels covered in the last arrangements which lapsed on 1 July of this year will be covered in the arrangement that he has just indicated for the period from 1 July onwards? I am talking about the category of special steels which do not strictly fall within the ECSC, but arrangements were made under the 'manifest crisis', and if those arrangements have been made what quotas have been applied for imports into the United Kingdom for that period?

Mr Narjes. — (DE) If I have understood you correctly, you are referring to special steels. My answer is as follows: in the case of Group I, it is true that many types of special steel have now been liberalized. In the case of Groups V and VI, the new system corresponds to the old one, i.e., the Commission will continue to issue directives for high-alloy special steels based on its monitoring of the market.

President. — Mr Commissioner, as a matter of general interest, the preamble to Mr Caborn's supplementary question mentioned the delay in the publication of your proposals. When is it intended that this be made available to Members of the Parliament?

Mr Narjes. — (DE) As far as I can judge the situation, all the Member States have now accepted the agreements: the last one did so yesterday. Technical arrangements take some time, after which details will be published in the Official Journal.

Mr Boyes. — In view of the fact that most steel-producing plants are in areas of high unemployment where there are very few alternatives for people who are out of work, in view of the fact that the crisis measures will in fact lead to further unemployment, and in view of the fact that the Council of Ministers has been very reluctant to implement Commission proposals to alleviate the social consequences of unemployment (one cannot understand the attitude of the Council of Ministers), has the Commission any new initiatives to put to the Council in the hope of getting some cash for unemployed steelworkers, or are you going to carry on pressing the old proposals? I am sure we are anxiously hoping that, alongside the crisis measures, there will be a properly defined social programme.

Mr Narjes. — (DE) May I point out that the Council of Ministers not only agreed on aids and price-measures but also decided on a *volet social*, or accompanying social measures. It took precise decisions on the funds required for this purpose and the way in which they are to be provided.

Mr Herman. — (FR) Could the Commission say what changes were made by the Council meetings of 24 and

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25 June to its proposals regarding the duration of national aids and the nature of the financial arrangements for the social measures? Secondly, can the Commission say when it will put an end to the disparities which still occur between answers given by the Commission's secretariat and the cabinet of the Commissioner responsible on the matter of the exact list of products currently covered by Article 58?

Mr Narjes. — (DE) I assume that when the decision is published in all the official languages many of the Honourable Member's questions will in fact be answered. As regards deliberations of the Council of Ministers, it is not usual to go into them in detail.

Mr Bonde. — (DA) Mr President, my question concerns employment in the town of Frederikswærk, where Denmark's sole steel-rolling mill is situated. I would ask the Commission when it intends to adopt the restructuring plan and also what objections there were to the first version of this plan.

Mr Narjes. — (DE) The Honourable Member can expect a written answer from the Commissioner responsible.

President. — Question No 8, by Ms Clwyd (H-201/81):

Will the Commission give a progress report on what action it proposes to take and is taking on the report on the disabled which was adopted by Parliament in March?

Mr Richard, Member of the Commission. — The Commission intends to present a communication on a more comprehensive action programme in this field, in the autumn. Work on this is proceeding as a matter of urgency, and we are taking into account both the very constructive recommendations made by Parliament in March and the opinion adopted last week by the Economic and Social Committee.

Ms Clwyd. — I had hoped for a more substantial answer from the Commissioner than the one he gave. It is now four months since this Parliament passed the 32 recommendations, and I had hoped that the Commission would have a detailed programme by now on how it proposed to implement all 32 of the recommendations.

I would like to concentrate, however, on one, which I think is of particular importance, and that is the recommendation that the Commission should produce a workable quota system to protect the jobs of the disabled, because as unemployment figures are rising, the weaker groups of workers, such as the disabled, are becoming particularly vulnerable. It is known to

the Commission, and to Members who take a particular interest in this subject, that some countries, such as West Germany, have workable quota systems of 6% which are actually implemented, whereas in the United Kingdom we are thinking of cutting our own unworkable quota system of 3% down to 1%. That is a scandal in the International Year of Disabled Persons, and I should like to know how exactly the Commission proposes to protect the jobs of disabled workers.

Mr Richard. — I think the honourable lady makes some strong points. I can only note the strictures that she casts upon the Commission for not producing its communication earlier, and I can only tell her, finally, that we will take note of everything she has just said.

Mr Prag. — I am not allowed to say anything about those extraordinary allegations concerning the intentions of the British Government, but I should like to if I were allowed. May I, as chairman of the Parliament's All-Party Disablement Group, record my deep disappointment that the Commission has not been able, early in this International Year for Disabled People, to present comprehensive — or indeed, any — proposals for a programme on disablement?

May I hope that such proposals really will be forthcoming in the autumn, and, finally, may I ask the Commission to what extent the long delay in presenting such proposals is due to a shortage of staff allocated to disablement matters?

Mr Richard. — There is something in the last point that the honourable gentleman makes, although I would not wish to make too much of it, nor indeed, to use that as any kind of shelter to escape some of the comments that are being made this afternoon. This is an extremely complicated problem; it is an extremely urgent problem; it is extremely important that we get it right. Therefore I must say to the House that if we take another five weeks or so, until the autumn, produce proposals which are better thought out, more comprehensive, more detailed and better costed and which therefore, I hope, will commend themselves more readily both to this Parliament and to the member governments, then I hope in the end people will feel it was time well spent.

Mr Patterson. — I should like to refer to that part of Parliament's resolution which concerned the educational aspects of the handicapped. Although we may be getting a report in the autumn, could I have the Commissioner's assurance that the studies we called for in order, particularly, to aid the integration of handicapped children in normal schools are now under way and that, in the autumn, we shall be getting some of the results?

Mr Richard. — Yes, the studies are under way. Precisely when and how they are going to be published I cannot yet tell.

Mr Paisley. — Could the Commissioner tell us whether he has had any exchanges with the Council of Ministers on this very important subject, and if he has, could he tell us the attitude of the Council of Ministers to the proposals that he himself is considering?

Mr Richard. — I think the only answer I can give to Mr Paisley is, 'not yet'. We have not had exchanges yet: by the nature of things, we could not have exchanges with the Council of Ministers on proposals that we have not yet finalized.

Mrs Ewing. — As the autumn is almost three-quarters of the year, will the Commission accept that this is going to be a grave disappointment to many disabled people in Europe?

Would the Commission at least give an assurance now to this Chamber that they will look at the Member States' arrangements and give an undertaking that they will harmonize up the way? Whatever is being done in one Member State, whether it be for the blind, or the totally home disabled, or the quota for work, could we not harmonize up the way? Could the Commissioner at least answer that question?

Mr Richard. — I can certainly answer as to what I should like to do. I am bound to say to the honourable Member, however, that there are somewhat delicate questions of national jurisdiction and sovereignty involved in some of these issues and while, of course, Parliament may be prepared sometimes to ignore delicate questions of national sovereignty, they would not expect the Commission to follow them down that rather difficult and tortuous path.

Mr Coutsocheras. — (GR) Mr President, when the problem of the disabled was discussed in Luxembourg I tabled two questions.

The first question was when definite measures would eventually be taken to provide real assistance for the disabled and the second, what would be done for the blind as regards their education so that they had the chance to work and make a contribution to society. Since Greek representatives of the blind were present on that occasion, I should like to ask the Commissioner if he has given any attention to the two issues which I raised at that time.

Mr Richard. — On the first of those questions I think I can only repeat what I have just said, which is that

the Commission's proposals will be emerging in the autumn.

On the second part, specific for the blind, I think I should tell the honourable parliamentarian, as, indeed, I have told this House before, that it is not the Commission's view that there should be specific treatment for one particular type of handicap. We, indeed, have always sought to avoid selecting specific types of handicap for special treatment or, indeed, making perhaps unnecessary and difficult distinctions between mental handicaps, physical handicaps and different types of physical handicap, so I cannot give him any promise that there will be specific measures devoted to one specific type of handicap. We are thinking in much more general terms than that.

President. — Question No 9, by Mr Blaney (H-204/81):

In view of the Parliament's amended resolution of May 7 on the situation in the north of Ireland, and Mr Haferkamp's confirmation of the Commission's readiness to offer any assistance that may ease the tensions in that area of Ireland, what steps has the Commission taken with a view to helping to solve either the short-term or long-term problems involved?

Mr Narjes, Member of the Commission. — (DE) The Commission wishes to remind the Honourable Member of the fact that only two-and-a-half weeks ago the situation in Northern Ireland was discussed in detail by this House on the basis of the Martin report. The Commission is convinced that on the occasion of that debate the Honourable Member will have recognized the close interest which the Commission is taking in the situation in Northern Ireland.

I believe that the information given by the Commission during that debate on the situation in Northern Ireland in fact answered all the points raised once more by the Honourable Member in his question today. I might add that the Commission wishes to express its full solidarity with and support for the appeal made in Parliament's resolution of 19 June 1981.

Mr Blaney. — The information given is no more and no further than it was on 7 May last. Can I ask the Commissioner whether he considers the Members of this House to be so naïve as to accept a reference to the promises of the Commission made on May 7 that they would be considering what they could do and that they would endeavour to do all they could, while in the interim three hunger strikers have died, another is on the brink of death at this moment, in his 59th day, and all we can get from the Commissioner, with all due respect, is that we had got the answers last May? If that is the answer, I am afraid I am not prepared to accept it as a sensible or reasonable answer on the part of the Commissioner on this grave matter.

Mr Narjes. — *(DE)* May I draw the Honourable Member's attention to a mistake? The last debate on this subject in the House was not on 7 May but two-and-a-half weeks ago, on 19 June.

Mr Marshall. — So far as the longer-term situation in Northern Ireland is concerned, would the Commissioner not agree that the people of Northern Ireland must be free to decide their own future and that whenever they have been asked to do so they have voted strongly for union with the United Kingdom?

President. — I am ruling that supplementary out of order. We are not dealing with the politics. What Mr Blaney has asked for is assistance from the Commission in order to ease the tension, which is quite a separate issue.

Mr Van Minnen. — *(NL)* It is not really satisfactory for the Commissioner to give superficial answers to questions which are of such deep concern to us. We are considering here in Parliament reports on the future development of Northern Ireland, which can have no future unless we at long last find a humane response to the immediate emergency situation. My question now is whether the Commission of the European Communities is in contact with another commission — namely, the Human Rights Commission.

Mr Narjes. — *(DE)* If I have understood your question correctly, I would first point out that the question now before us and the debate on 19 June concerned the economic situation in Northern Ireland. On that previous occasion, the Commission explained in detail to this House the extent to which it is giving special attention to Northern Ireland by making available appropriations from the Social Fund, the Regional Fund, the Agricultural Structural Fund and other sources. I drew attention to those facts in my answer to Mr Blaney's question. Time is short, and I did not wish to repeat my earlier extensive observations. In dealing with the economic situation, there is no reason whatever to contact the Human Rights Commission.

Mr Blaney. — May I point out that the question which I have down here refers to a matter which was discussed and answered on 7 May, and not, as the Commissioner said, two and a half weeks ago? It is a totally different, although possibly related issue.

Mr Paisley. — In view of the figures which the Honourable Member who asked this question did not give to the House, which show that in Northern Ireland, during the months of April and May, — those are the only figures available — the Irish Republican Army and the INLA themselves claimed to have killed

fifteen people who belonged to the security forces and sixteen . . .

President. — Mr Blaney's question concerned aid towards relieving tension in Northern Ireland. I do not think there is any point in outlining tensions which we already know exist. Please, can you make your question pertinent to the question we have down on the paper?

Mr Paisley. — The Honourable Member in asking the question quoted certain figures. I surely am entitled to quote figures that are relevant to the people I represent in this House who are being murdered by the IRA at this present time. And if the Republicans had their way, I would not be speaking in this House today.

Would the President of the Commission reaffirm that the resolution referred to states that the European Community has no competence to make proposals for changes in the Constitution of Northern Ireland. Would he remind the questioner that that is the basis of our consideration in this Parliament?

(Interruption by Mr Blaney)

We have a Constitution and a State. Thank God, we are not under your crowd — a crowd of murderers!

Mr Narjes. — *(DE)* On 19 June and again today, I confined my answers which fall within the terms of reference of the Commission.

Mr Boyes. — Mr President, would you please tell me if it is in order for a Member — and I here direct my attention to Lord O'Hagan — to use his position as a Member of this Parliament to distribute subversive literature . . .

(Laughter)

. . . by such well-known terrorists against working people as Margaret Thatcher and Lord Carrington. Would you confirm, if he has been appointed a huis-sier, that he will be issued with the appropriate uniform as soon as possible.

President. — Lord O'Hagan, would you like to adopt a new uniform?

Lord O'Hagan. — Mr President, while awaiting your issue of uniform, could I ask the protection of the Chair? The fact is that certain Socialist Members of this Parliament earnestly begged me at repeated intervals to supply them with information that they had not received from their own group and party, and I felt it in Christian charity my duty to do so.

President. — In fairness to Lord O'Hagan, Mr Boyes was rather unkind, because the chairman and some other prominent members of the Socialist Group asked for copies as well.

Mrs Ewing. — I cannot get one of these documents, so you will forgive me if I feel slightly put out.

On a serious question of order, is it in order for a Member of this House to distribute a document to everybody's seat in this House? If it is, then I will assuredly do so in September for my particular point of view. I should like to know, then, if it is in order for a Member of Parliament to distribute a document to everybody's seat.

President. — I am not quite sure. It seems to me that a Member is wasting a lot of time and effort if he goes around to every Member's seat when just outside the door there is an excellent distribution centre with pigeon-holes for all the Members. However, I don't think we can possibly bring in a rule which would prevent one Member from giving another Member a piece of literature.

Mr Beazley. — Mr President, I just want to ask if this particular series of questions is in any way suitable for Question-time. Could it not be taken at some other time? I would like to get on with the questions that are on the agenda.

President. — I agree with you, but I did appreciate Mr Boyes's and Lord O'Hagan's double act. It certainly brought some humour into the Chamber, which is sadly lacking on occasion.

Question No 10, by Mr Vié (H-214/81):

Is it true that, despite the existing directives, there is no mutual recognition or assimilation of hairdressing diplomas between the Member States of the Community? Is a Member State entitled to refuse permission for a French national holding a Belgian hairdressing diploma to open a hairdressing salon in France?

Mr Narjes, Member of the Commission. — (DE) Mr President, it is correct that the Council directive on craft trades of 7 July 1964 aimed at facilitating the freedom of movement of persons engaged in those trades within the Community does not cover hairdressing. Therefore, until a special directive is adopted on the recognition of professional qualifications in the hairdressing trade, the general principles governing the right of establishment apply to the individual case referred to by the Honourable Member. Any Member State may require a migrant worker who is a national of a Community country — no matter which country — to meet the conditions for equal treatment in respect of the opening of a hairdressing salon, in particular as regards professional training.

President. — The first part of Question-time is closed.¹

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

¹ See Annex to Debates of 8 July 1981. For the agenda of the next sitting, see the Minutes of Proceedings of this sitting.

ANNEX

Action taken by the Commission on opinions delivered by the European Parliament at its part-session of June 1981

1. As agreed with the Bureau of Parliament, the Commission informs Members at the beginning of every part-session of the action it has taken on opinions delivered at the previous part-session.
2. At its June part-session, the European Parliament delivered 16 opinions on Commission proposals in response to Council requests for consultation.
3. At the part-session, 14 matters were discussed in connection with which Parliament delivered favourable opinions on, or did not request formal amendment of, the proposals listed below:
 - Report by Mr Nyborg on the approximation of legislation on the operation of wheeled agricultural or forestry tractors (COM(80) 849 final);
 - Report by Mr Moreau on the economic policy guidelines for Greece for 1981 (COM(81) 95 final);
 - Report by Mr Dalsass on a proposal for a Farm Accountancy Data Network (COM(80) 819 final);
 - Report by Mr Deschamps on the process into the second stage of the Association Agreement between the EEC and Cyprus (COM(81) 2 final);
 - Report by Mr Friedrich on the approximation of legislation relating to methods of testing the biodegradability of anionic surfactants (OJ No C 112, 14 May 1981);
 - Report by Mr Lemmer on the conclusion of protocols to the Association Agreement between the EEC and Cyprus and the Cooperation Agreements between the EEC and Egypt, Jordan and the Lebanon following the accession of Greece;
 - Report by Mr Vandemeulebroucke on the import system applicable to certain third countries in the sheep- and goat-meat sector in 1981 (OJ No C 58, 18 March 1981);
 - Report by Mr Donnez on the mutual recognition of doctors' and nurses' diplomas (COM(80) 912 final);
 - Report by Mr Beumer on taxes, other than turnover taxes, which affect the consumption of manufactured tobacco (9th Directive) (COM(81) 237 final);
 - Report by Mr Travaglini on an information and consultation procedure for relations and agreements with third countries in the field of transport by rail, road and inland waterway (COM(80) 809);
 - Report by Mr Ghergo on the basic standards for the health protection of workers and the general public against the dangers of micro-wave radiation (COM(80) 340 final);
 - Proposal for a decision on the designation and operation of a swine-fever liaison laboratory;
 - Proposal for a regulation on fresh lemons originating in certain countries of the Mediterranean Basin;
 - Proposal relating to the procedures of the Standing Veterinary Committee.
4. In two cases, the European Parliament asked the Commission to alter its proposals under the second paragraph of Article 149 of the Treaty and adopted proposals for amendments which the Commission has accepted:
 - *Report by Mr Adam on a proposal for a decision on a machine translation system* (OJ No C 234, 12 September 1980)

The Commission has prepared an amended proposal, which will be formally approved in the course of the week and sent to the Council and the European Parliament.

- *Report by Mr Janssen van Raay on a market observation system in respect of the carriage of goods by rail, road or inland waterway* (OJ No C 1, 5 January 1976)

The Commission has prepared an amended proposal, which will be sent to the Council and the European Parliament once it has been formally adopted.

5. The Commission also expressed its views during discussions concerning it and took note of the European Parliament's opinions on the following:

- Report by Sir Henry Plumb on possible improvements to the common agricultural policy;
- Report by Mr Giavazzi on the restructuring of economic and monetary policies in connection with the Council Decision of 30 May 1980;
- Report by Mr Pfennig on the future of the Budget of the European Communities;
- Report by Mr Irmer on the discharge for 1979;
- Report by Mr Kellett-Bowman on aspects of budgetary control relating to the Joint Research Centre at Ispra;
- Report by Mr Kellett-Bowman on aspects of budgetary control relating to the Computer Centre;
- Report by Mr Gabert on Commission controls on the collection of the Community's own resources following the Court of Justice's ruling in Case 267/78 (the 'Como butter' case);
- Report by Mr Dankert on the Ninth Financial Report on the EAGGF (Guarantee Section);
- Report by Mrs Vayssade on the abolition of capital punishment in the European Community;
- Resolution on the current economic and monetary situation in the Community;
- Resolution on the recent arrests of Czechoslovak signatories of 'Charter 77';
- Resolution on the Israeli raid on Tammuz;
- Report by Mr Patterson on the incompatibility of the French artificial insemination monopoly with the Treaty of Rome;
- Report by Mrs Martin on the Community's regional policy and Northern Ireland;
- Report by Mr Hume on the problem of coastal erosion in the European Community;
- Second report by Mr Key on the harmonization of social legislation in the transport sector;
- Report by Mr Helms on transport relations with Austria;
- Report by Mrs Martin on the Fifth Annual Report (1979) on the European Regional Development Fund.

6. The Commission took the opportunity to tell Parliament what aid it had granted disaster victims since the previous part-session.

Decisions to grant *emergency aid* had been taken as follows:

- 150 000 ECU for refugees from El Salvador in Nicaragua;
- 300 000 ECU for the repair of damage to railways in Zambia;
- 200 000 ECU for the victims of torrential rains in the Comoro Islands.

IN THE CHAIR: MRS VEIL

President

(The sitting was opened at 9 a.m.¹)

1. *Welcome*

President. — I have the honour and pleasure of welcoming a delegation from the Japanese Diet, now seated in the Official Gallery.

This is the third time since Direct Elections that delegations of our two parliaments have been able to meet to consider questions of common interest. I wish every success to the two delegations, led respectively by Mr Tadashi Kuranari and by Sir Frederick Warner, in their discussions over the next few days.

(Applause)

2. *Mandate of 30 May 1980*

President. — The next item is the Commission statement on the results of the mandate of 30 May 1980.

I call the Commission.

Mr Thorn, President of the Commission. — *(FR)* Madam President, ladies and gentlemen, the last time Parliament met we all agreed in the end that the mandate given to the Commission by the Council decision of 30 May 1980 went far beyond the budgetary problem as such. That is to say we were not inclined in future to accept merely the kind of system of cheques that we had in 1980, although that is what the Council already hinted at in its mandate.

The Council itself recognized, having settled the question of the United Kingdom's financial contribution to the Community budget for a two-year period, that solutions had to be found through structural changes. It therefore instructed the Commission to take account of the situation and interests of all the Member States and to examine ways of preventing the recurrence of unacceptable situations for any one of them — i.e. situations which the Council thus acknowledged as unacceptable.

Accordingly, under the terms of the mandate, looking beyond the purely financial interest of Community membership, on 24 June the Commission submitted to

the members of the European Council a brief but thorough report, the substance of which you are now familiar with. I should like nevertheless to take you through the principal arguments contained in the report as well as explaining the reasoning behind them. If the report has one great strength it is that it answers a specific question, that it finally disposes of a number of ambiguities and provides a starting point for what I imagine will be a serious consideration and lengthy debate between the various institutions. It would be appropriate therefore to outline the kind of follow-up action that in the Commission's view is called for on the part of the European institutions in implementing the new policy lines contained in the report.

Let me say first of all, Madam President, that the Commission had to take great care to avoid falling into the trap that might have been waiting for it had it chosen to comply with the terms of the mandate only by advancing proposals of a budgetary nature. Indeed this is something it must avoid. The Commission refused to confine itself in this exercise to a purely financial evaluation of the budgetary implications of existing common policies without carrying out in addition an assessment of their basic merit and effect on political balance. It needs to be very clearly understood that the budget of the Community only partly covers this: it is only the tip of the iceberg, so to speak. It also needs to be underlined that Europe is much more than just a clearing-house where cheques are exchanged between partners in a brief joint venture. Even today, as we know from what people have been saying recently in different parts of the Community, many are arguing for *juste retour*, others for a ceiling on expenditure, still others for a continuation of the system of exchanged cheques we had in 1980. Europe, to us, is first and foremost a political 'grand design', it is the shared vision of a living democracy, it is the making of history through the determination of States to put aside their political and social differences and build together for the future.

For this very reason, as this Parliament will readily understand, the Commission was not prepared to let itself be placed in a strait-jacket. As guardian of the Treaties and promotor of the European idea our Commission has to have and does have a vision of the future, tempered by realism though it is. The document before you is meant — and I really cannot emphasize this too much — only as a point of departure for a series of measures, but, you may take it from me, a series of carefully considered measures, which we intend to launch as the individual components of a coherent plan, a realistic and bold plan to give a new dimension and a new stimulus to the process of European integration. As you will see in a moment, the Commission intends making a whole set of concrete proposals which already exist in outline — this is not just a vague promise — which fall into the context of the document you have before you and which will lead the way to new and, I hope, promising measures. Furthermore, we are hoping to produce in a fortnight

¹ Minutes — Documents received — Topical and urgent debate: see Minutes.

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or so a timetable setting out the dates on which we intend advancing proposals that have already progressed beyond the stage of simple outline.

But it is not, ladies and gentlemen, purely a matter of initiating new ideas, however necessary they may be. We need to be satisfied that the impact of certain policies at Community level is beneficial not just to some but to all. Common measures have to be devised in such a way that their effect can be seen to favour the Community as a whole, so that everyone can feel that his participation in a common endeavour will, sooner or later, bring him a better future. Such feelings will not be inspired by taking too prosaic a view of Community action. If one chooses to consider at every turn, as too many people are wont to do, what are the benefits in financial terms of the measures we undertake, well then, we ourselves necessarily also adopt an attitude that is far too prosaic. Can we not, as responsible politicians, still let ourselves be carried away a little by the prospect of a common destiny rather than always harping on the mundane?

However, unless public opinion in all our countries and unless the Parliament that represents European public opinion as such can be convinced of Europe's usefulness, then Europe will have failed. Europe will not be that destiny that is nurtured by our peoples' belief in it. Accordingly, every one of our measures must be supported by evidence of its usefulness, and we have to agree on this. Every policy the Community implements must be backed up by evidence of its utility. For that reason, it is essential that any measures introduced by the Commission should be inherently more useful and more coherent than any measures that could be undertaken at national level, because we shall be subjected to a far more critical examination than any national inquiry. That is our aim and that is also what we are determined to do.

But as and when a common policy is deemed to be more effective or more efficient at Community level than the sum of all the national policies, the next logical step is to see this reflected in our choice of budget priorities and in the allocation of funds. The moment there is any decision on specific measures at European level, these measures must immediately be backed and financed by adequate resources. This is why the Commission is firmly convinced that it will be necessary — when the pressure becomes too great to resist, which cannot be long from now — to break through the 1 % ceiling on VAT which at the present time places a too artificial restriction on the Community's freedom of action. That does not of course mean that the Community is going to casually commit itself to new policies without thought of their cost, particularly in these times and with the lack of available funds and the disinclination of our governments to spend them. What it does mean, however, is that, with the peoples' backing, the new, sometimes bold and, I hope, always progressive policies that

Europe needs to overcome the present economic crisis will have to be introduced with the help of the necessary financial backing, even if this financial backing is not always necessarily or exclusively to be drawn from Community resources alone.

In drawing up the proposals that Parliament will be examining and that we shall be discussing, together, I imagine, over many weeks, if not months, the Commission has never lost sight of the role assigned to it by the Treaty, in other words to be the guardian of its spirit and the body responsible for encouraging these new policies. It was apparent to us that the problem we were posed by the mandate of 30 May was therefore much more than simply a difficult economic situation which could be solved purely by a change of machinery. In fact it is the very existence of the Community that could ultimately be put at risk by our present difficulties if we were to wait to resolve them until they became intolerable not just to some people but to everyone, and if we were to be content to change a few things here and there where the danger was greatest and most evident.

We do not have to wait for a special time to make changes and carry out reforms, we do not have to wait for a crisis to arise before deciding to act. Change should be a continual process in our Community in the same way as it is inherent in every living thing.

The exercise we are engaged in is not, however, without its usefulness, for we all of us need from time to time to step back and look at the overall picture of what we are trying to achieve at the level of the Community as a whole and at the level of our policies as a whole. That is why the mandate should not be confined to budget questions, nor even to agricultural, social or regional questions, as the experts among our politicians are trying to do. You should look upon the Commission's report as a comprehensive view both of the Community and of the way the institutions work.

We are today of course faced with a particular problem which can be expressed in financial terms. Community policy is going through an adjustment crisis. Let us face it: this is a normal phenomenon associated with growth. That is the way one should look at things, not make light of situations for which the Community has responsibility. The Community was intended as a process of continual change to give the men and women of Europe better conditions in which to live and work and a climate of economic and social progress: those are the terms of the Treaty of Rome which we have been putting into practice for over a quarter of a century.

Europe has become, thanks to the Community, an area of peace and prosperity built on former battlefields, where many men lost all hope of the future.

No one could seriously want to call in question everything that has been achieved. But we are, are we not,

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in the process of learning again that nothing can be taken for granted, that nothing can be counted for certain and that the expansion we came to believe as being inherent in our industrial society will no longer simply just happen? Day by day, in these times of crisis, Europe will have to gradually re-establish the bases of her expansion, regarding herself all the while with a critical eye. This battle can only be won through solidarity. Whatever the deficiencies of our Community, it is the degree of cohesion that it has achieved that explains why it, perhaps more than other parts of the world, has been able to enjoy the fruits of expansion and to withstand, so far at any rate, the effects of the oil crises and the general recession.

In its report the Commission has outlined a Community strategy which takes into account the economic and political challenges of today. The strategy hinges on a number of priority objectives. In view of the short time at my disposal I shall confine myself to simply listing them:

1. tighter coordination of national monetary and economic policies and decisive progress in expanding the European Monetary System
2. systematic exploitation of the opportunities of the vast domestic market which at the moment is, if anything, in danger of being lost, and the development of a modern and dynamic industrial sector
3. reduction of the energy problems by the adoption of precise objectives, the coordination of national resources and by making greater use of Community instruments
4. promotion of investment in technology and making a breakthrough in this field; European integration of research and innovation
5. an active competition policy designed to safeguard the competitiveness of our industries, to help our economies to adjust positively to the new international situation and to serve as a source of economic convergence.

Implementation of this strategy, ladies and gentlemen, will eventually produce a real revival of the Community and enable it to overcome the economic constraints to which it is subject at the present time. It does however require an unswerving political commitment on the part of all the Member States. That is an aspect we should not overlook.

It also means that the procedures and institutions of the Community must function efficiently. It is absolutely vital that we find new working methods for our institutions or, rather, that we revert to the procedures laid down for these institutions in the Treaties. I believe there is no point in making pious Sunday statements about the advantages of Europe and about its role in the world if on Monday and every other day of the week we are going to argue continually about details or about the ways of finding a common solution to the problems that we are experiencing at this very moment.

It is also important, in this debate, to have the courage to say what is wrong or what has not been going so well in the Community. In the Commission's view what is lacking in the Community is not the ability to understand, it is not the ability to analyse, it is not the arduous work involved in mutual persuasion that each of our institutions has to engage in; basically what is lacking, we believe, is respect for the rules of democracy which are the principles governing the working of every one of our States and, I have to say this, what is lacking more and more is respect for the rule of majority. As you are aware, the Commission will shortly, at your request, be making proposals in this context with a view to improving the inter-institutional dialogue. You will be receiving this document in September. In two days time you will have an opportunity to debate several reports drawn up by various parliamentary groups on improving the working of the Community. The Commission, I hasten to say, is greatly looking forward to this debate which it hopes will enable it to make its own contribution to the search for ways of improving the machinery of the Community — but we shall have occasion to return to that. Let me say right away, however, that what matters to the Commission and its President is that Europe as a Community should exist, that it should work, that it should answer the needs of its citizens. Because to meet their demands we have to put our Community house in order, to offer something better than they have right now. It is no good thinking about the technological challenges of the year 2000: we have to solve the problems confronting the Community at this moment.

The Commission's analysis and the proposals following from it can be reduced essentially to measures relating to three areas where adjustments are envisaged: the common agricultural policy, structural, regional and social policies, and budgetary aspects.

Let me first make a fundamental observation: the Commission has no intention of proposing any artificial Community policies, that is to say policies based purely on spurious budgetary considerations. Consequently, because these policies must not only be voluntarist but also meaningful, the Commission feels bound to point out once again, so that there is no misunderstanding, that we cannot entertain the prospect of the ceiling on the Community's own resources being held for very long at 1% of VAT.

As regards the common agricultural policy, the Commission believes in the need to safeguard its central principles. We do feel, however, that some adjustments are essential in order to correct one or two defects which, according to those who devised it, were not apparent or detected at the time, in particular the ever-growing production surpluses. The effect of these adjustments, which are linked with the overall package of measures designed to restore the balance

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of Community policies as a whole, should be to ensure that the growth of agricultural spending is slower than the rate of growth of own resources.

The principal objectives proposed are as follows: a price policy, as the report says, based on narrowing the gap between Community prices for essential products and the prices applied by its main competitors; secondly, an active commercial policy which would honour the Community's international commitments, in other words those areas where we are also committed to imports; thirdly, modulation of guarantees with respect to prices and quantities, in line with Community production targets — not quotas as some people are saying; fourthly, an active structures policy tailored to the needs of individual agricultural regions, because the Mediterranean regions are not in the same situation as the regions of the North; fifthly, possible income support subsidies to certain producers in specific circumstances, to be carefully monitored by the Community.

Next we come to the Community's structural policies where there is a need to redefine objectives and concentrate resources. As regards regional policy, the most urgent task is still to reduce regional imbalances. To this end the Commission is recommending more efficient use of financial resources, in other words concentrating them in the regions that are most deprived in absolute terms and in those currently suffering the effects of the decline of traditional industries or even the consequences of certain Community policies.

Social policy, on the other hand, must reflect the need to encourage the geographical and occupational mobility of workers in the Community, which is clearly unsatisfactory at the moment. In the light of the present situation a special effort has to be made to create additional jobs, particularly in the new growth industries. The resources of the Social Fund also need to be centred on providing integrated training and job programmes and to be used effectively to complement measures taken at national level, not merely to contribute to the cost of national programmes over which we have no control and in which we would have no say.

The Commission is convinced that the success of these three policies is conditional on sufficient financial resources being made available and, as regards the Regional and Social Funds, on the level of appropriations allocated to them being increased faster than the average rate of growth of the budget.

Coming now to the specifically budgetary aspects, in addition to what I said about the need to free our own resources from the restraint imposed by the ceiling on VAT payments, the Commission wishes to make one other essential observation, that is that the budget must not be anything other than simply a reflection of

what I hope are coherent and balanced policies. In other words, Community objectives must not be subordinated to budgetary objectives, and still less to the so-called net budgetary position of the Member States.

That being so, the Commission acknowledges in its report that the situation as it was settled in the European Council and in the Council of Ministers, and understood to be unacceptable to certain countries, is due to the fact that a significant part of the budget — the expenditure of the EAGGF-Guarantee Section — is giving rise to a budgetary imbalance and posing a serious problem for one of the Member States. We believe it desirable, therefore, and in the interest of solidarity, to correct this imbalance, while at the same time hoping and indeed expecting that our proposed adjustments to the common agricultural policy, together with the development of new Community policies, will in time help to overcome the worst of the problem.

With this in mind, the Commission is proposing in the case of the United Kingdom to resolve this problem chiefly by developing new policies; but we realize that this will take some years and that we could be accused by the United Kingdom of avoiding the problem and failing to come up with an answer. In the normal course of events one would respond to such a situation by seeking to harmonize policies over a period of time, but I appreciate that this State cannot wait that long. And so, in a gesture of solidarity, we have to try to strike a compromise. Here again the Commission — as the press has been all too ready to forget — would ideally like this to be done through the budget, but you know as well as we do that this would immediately result in the 1% ceiling being broken through; and it is therefore purely as a subsidiary measure that we have considered the possibility of financial compensation based on the share of Community expenditure going to the United Kingdom in the form of agricultural support expenditure, in relation to its share of the overall gross domestic product. Such compensation could conceivably be financed via abatements on the receipts of the other Member States from the Community based on the payments they receive under the Guarantee Section of the EAGGF, taking account both of their receipts and of their ability to contribute.

The Commission attaches great importance to the fact that all its proposals are realistic proposals that take account of all the possibilities, of what the governments can afford and also what our countries can afford, since they all have to give their support. As I told you earlier, the Commission intends before the end of this month to present a timetable of measures and proposals to implement the policies contained in the report now in your possession so that a decision can be taken on all of them in the weeks and months to come.

Thorn

The Commission's work is done; it has carried out the mandate given it and, in a document which one may criticize — indeed everyone will criticize it but for entirely contradictory reasons — and which certainly leaves much to be desired, the Commission has put forward a global strategy. I believe it is important to stress that the responsibility now rests with the institutions, your Parliament, Madam, as well as the Commission and Council. I trust the Council will have the courage to look at what is going wrong in the Community and will not confine itself, as I am still afraid it might, to the budgetary aspect or to the problems of a single country. I trust also that it will have the courage to undertake a fundamental review of the decision-making procedures, to see how they can be improved, in order that Europe can take the step forward it so badly needs; indeed the Commission would like a review of the institutions to be added to and incorporated in the mandate and the deliberations of Council of Ministers and the European Council to include the institutional problem. This is the only way we can hope to make a further leap forward.

It is all too easy to criticise what we have done and such criticism we reject. It is difficult to please everyone! The Commission felt it was not enough for it to say simply which situations were unacceptable or to propose some kind of financial mechanism. Our job was to try to resolve a particular serious problem with which we had been presented, to propose structural changes that we felt were essential and to incorporate these proposals which, I repeat, are both realistic and readily practicable — provided there is the will to put them into practice — in an overall package which could be examined by the three institutions. The Commission believes that the authorities in our States will want to grasp the opportunity given them to take a decisive, constructive and realistic step forward. The Commission believes that Parliament, directly elected and representing public opinion, should assist us in our endeavours and give the Commission the vital support that we cannot expect from anywhere else.

For every problem there comes the right moment for decision. What is most liable to let us down when the time comes is not technical competence nor the decision-making procedure but the will to see it through. Ladies and gentlemen, the Commission, which is exercising its power to make proposals to the limit, has that will. The Commission having gone as far as it can go, it is now up to the other European institutions to assume their responsibilities and, taking into account the different areas of responsibility of each institution, to keep a more than watchful eye on the method of attaining this goal.

(Applause)

President. — I call the Socialist Group.

Mr Dankert. — (NL) Madam President, I was just thinking to myself: so early in the morning and the Community being reformed so radically — this is too good to be true. But it is rather in character for the President of the Commission to keep on stressing this, and I am grateful to him for that. For I agree with him that the Commission cannot perform the impossible and that, as it is worded, the mandate of 30 May is an impossible one, because it is not possible to balance the budget, to solve the problem of the unacceptably high contribution — which is a British problem in fact — and to stay below the 1 % ceiling all at the same time. It is therefore a good thing that the Commission has exceeded the limits and not stuck rigidly to the mandate. I feel it is also right that it has not made the mistake of regarding the budget as a policy, a mistake which many Member States seem to make. Here again, the Commission's approach appeals to me. It is not a question of arranging figures in a different order. There is no aversion or opposition in my group to the Commission's desire to give a more or less coherent picture in this document of the policy that must be pursued if we are to emerge from the present crisis. The proposed policy, or at least the policy very roughly outlined in the Commission's document, looks like what we want and what we recently set out in a document on the future of the Community budget, a policy which ties in with the strategy the President of the Commission has just referred to. I feel that, when it comes to the details, the regional and social policies and their reform or support for the Plumb resolution in its final form, there is a considerable measure of agreement, but I nonetheless abide by the very critical position adopted by my group immediately after the appearance of the Commission's document. My group reacted with criticism because — and I maintain this view even after the explanations given this morning and in the past few days — the Commission has failed politically, because, although the Commission has outlined a strategy, it has not come forward with the mechanisms that are needed to implement it. There is a discrepancy between reality in the Community of today and the fine prose that has just issued forth from the mouth of the President of the Commission, which I would almost call a *discours de dimanche*, and it is characteristic of the document that was recently submitted.

In Europe the question is and remains how are we to make progress, and this question is not in essence answered by this document. We know what the situation is in the Community, that the Council has lost its real function and is no longer capable of formulating a European policy. We know that the Commission is no longer the initiator but is forced to phrase its proposals in such a way that the Council cannot help but adopt them, that the Council has, as it were, to perform its function in what I would almost call a do or die situation. We have often seen in the past how the European Council decides on a policy — a social policy or industrial policy, for example — but that then the various Councils of Ministers are unable to translate

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this policy into practical measures. This means that the Commission must go to the European Council with a policy which is cohesive, which is reasonably well worked out and which includes a basic package of measures. This also goes for these proposals to do with agriculture, structural funds and the 1% British contribution. This is the pivot on which everything turns. The Commission may then object that this means exceeding the budget, but there will come a time when the instrument must be found within this budget that will allow the achievement of the Commission's objective, which my group also endorses.

I believe the weak point of the proposals is that the Commission has not yet been definite. I hope that the Commission will do all it can to prevent Coreper from becoming the *ad hoc* committee and to prevent Coreper, certainly not the greatest inspirer of progress in the Community, from gradually relieving the Commission of its tasks, in other words, withdrawing the mandate from the Commission. I feel there is a serious danger of this, and the Commission is playing into Coreper's hands with its present approach.

Secondly, we have no time to lose where the 1% is concerned. The Commission has not stated clearly and, since it has put forward separate proposals, obviously does not plan to state clearly how it can make political use of this shortage of time to set the mechanisms in motion. I feel that these are two tactical or, in my opinion, strategic mistakes. In my view, this situation may also give rise to a number of institutional difficulties, because I am afraid that the involvement of Coreper and the Council in the matter means the virtual exclusion of Parliament from the whole procedure. That would be extremely dangerous for the institutional balance which the Commission postulates.

Madam President, we are in a hurry in the Community. The Commission has taken its time: it will be putting forward proposals in the next few months, in the next few years. I feel the Commission ought to have been rather more realistic in this respect. There happen to be Member States — and not insignificant ones at that — which will never want to exceed the 1% limit before the agricultural policy has undergone certain changes and the problem of structural surpluses has been solved. The Commission must get used to that idea. These are political realities which may necessitate a certain change of policy, but the Commission remains vague on the subject. The whole approach is overly concentrated on first breaking through the 1% barrier, although, for the very reason that the document is so very vague, a different interpretation is perhaps needed in this respect.

My group has always taken the view — and has had Parliament's support in this — that the wide variations in the gross national products of the Member States — take the Lange resolution, for example — can really be overcome only with a compensating mechanism within

the Community which is based on gross national product. I realize that, in the present financial situation, it would be somewhat unrealistic to expect proposals on this from the Commission, because none of the Member States would be prepared to make significant transfers of revenue under a mechanism of this kind. But it is the only mechanism that could satisfy the criterion of solidarity in the Community. All the other mechanisms are tricks for solving temporary problems and do not satisfy objective criteria. In this respect, the mechanism now being proposed in connection with the Guarantee Section of the Agricultural Fund is no better or worse than any other, although it does have a few advantages, which I referred to last time, during the debate on the Giavazzi report, namely that it would take something away from a number of Member States who for various reasons — to do with the budget, the agricultural policy or general economic factors — are taking too much out of the Community at the expense of others. Fortunately, this advantage is accompanied by various others, and I am therefore able to support the Commission on this point. But as I also said last time, during the debate on the Giavazzi report, the mechanism must remain in force for a specified period only. We must know precisely where we stand. I cannot say anything about this at the moment, because the vagueness of the document and the vagueness of the mechanism make a proper assessment impossible.

This adds all the more weight to two requests I wish to make to the Commission. Firstly, Parliament or the Committee on Budgets should be kept right up to date on what is discussed by Coreper and secondly, the Commission should put forward a cohesive package of proposals in the fairly near future, so that it can be put to the European Council at least in November. If this is not done, we shall waste too much time and we shall be even further off course than we already are in the Community.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Klepsch. — (DE) Madam President, ladies and gentlemen, the Commission has rightly interpreted the mandate it received on 30 May 1980 very loosely. It has done well not to confine its analysis to the reform of the budget. My group considers this to be the right approach.

The overall view of the development of the Community runs through the document it has drawn up. The budgetary questions occupy their rightful place, this being in the conclusions drawn by the document, the reflections on the financial instruments the Community needs to achieve its political aims. The Commission has done its political duty and en-

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deavoured to show what it considers necessary and essential for the future of Europe. It has developed priorities for Community policy and it also states that a return to institutional balance, to a balance of the Treaties is essential.

My group very largely agrees with the Commission's political considerations and its analysis. Community solidarity no longer functions as it ought to, as it did in the first few years. The institutional balance, as laid down in the Treaty, has largely disappeared. Although we say that we agree with the Commission's analysis, we also regret that it has indicated no more than a number of broad lines for the solution of the Community's problems and has not put forward any detailed proposals. The Commission takes far too cautious and diplomatic a view of its role, whereas the spirit of the Treaties confers a leading role upon it.

(Applause)

We therefore expect the Commission to draw up practical proposals very soon and, in so doing, to take account of the Giavazzi and Pfennig reports adopted by a large majority of Parliament in June.

The Commission has limited itself in this document to making just a few practical proposals. They undoubtedly aim in the right direction in various areas. The approach to the Regional Fund is to be welcomed: we do not need a system for the reimbursement of national treasuries' expenditure, we do not need dissipation over wide areas of the Community but the concentration of resources on regions whose level of development is below the Community average.

As an indispensable instrument of Community solidarity, the Social Fund must become a dynamic element, not to be isolated from our employment policy objectives, the reduction of unemployment in the Community being the foremost aim of our policy and the greatest challenge it faces.

We expect the Commission's practical proposals not to stop at an inadequate level of development of these activities. We need measures taken in genuine Community solidarity, Community measures — 'Community' standing for 'additional' — additional to national measures.

The Commission has rightly stressed the importance of economic and monetary integration and called first and foremost in its document for the continued development of the European Monetary System. But it has left many questions unanswered. It does not say what is decisive, that this continued development will be possible only if the central, political authority with autonomous power to influence the money supply and the value of money is created.

(Applause)

The Commission refers to the many intra-Community barriers to trade which detract from the Community's competitiveness. But why does it not say who is doing the detracting? The Commission calls for a common global strategy whose general concepts and guidelines are clearly accepted by everyone and which opens up new prospects of lasting and definite growth and of better employment, the aim being the elimination of unemployment.

We expect the Commission to state what form it feels this strategy should take. The Commission says that the decision-making process in the Community is not efficient. Why does it not have the courage to say where the cause of this deficiency lies? A Community of the Ten and soon of the Twelve cannot be governed while the principle of unanimity continues to apply.

(Applause)

We need simultaneous progress towards economic and monetary integration and in political and institutional development if we intend to ensure the continued existence of this Community.

The Commission rightly points out that, on the whole, a review of the only fully integrated sector of Community policy, the agricultural policy, produces a positive result. The objectives set in the Treaty have largely been achieved, and this with resources amounting to 0.5% of the Community's gross national product, which is by no means excessive. Had agricultural policy been left in the hands of the Member States, it would undoubtedly have been costlier. We are aware of the problems in this sector. We want to solve them. But my group cannot agree with the Commission's analysis and the fundamental conclusions it draws. Incomes in agriculture have never been the sole yardstick or guideline in the fixing of farm prices, and in over 20 years of common agricultural price policy there has never been a general price guarantee, with the possible exception of the dairy sector.

To solve the problems that exist, the Commission proposes that farm prices in the Community should be guided by world market prices, although it itself describes the world market as a caricature. Such an approach presupposes that the world market is unified and works. There can be no question of adjustment or approximation to the prices on desolate, disrupted and distorted world markets.

I will refrain from taking up further aspects of the agricultural policy to which the Commission has devoted a good deal of its reflections. I will refer to just two points connected with the financing of this policy. We reject the theory of the *juste retour*, just as we reject the idea of the renationalization of expenditure or of some expenditure. That would conflict with the broad solidarity we seek between the wealthy and

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the less wealthy regions of this Community. We call on the Commission to reconsider its position on the agricultural sector and to tackle the present problems with a greater sense of reality.

I reaffirm my group's view that a comprehensive Community policy is impossible while the Community's resources are limited to 1 % of value added tax revenue. And we are pleased to see that the Commission has had the courage to state this unequivocally. When not everything can be financed from own resources, it will be a step backwards.

We shall join with the Commission in making every effort to show that the additional policies we wish to implement make it necessary and justifiable for this ceiling to be exceeded. We are convinced that we achieve greater benefits from a unit of account invested, for example, in the Community research and energy policy than if it were invested at national level. We are also convinced that a greater integrating effect can be achieved in other sectors with measures which do not affect the budget.

As an example, I will do no more than refer to the transport policy. We find it regrettable that the Commission has made no mention at all of such sectors. There is no cause for resignation in the face of the Council's present inability to take decisions. My group assumes that the Commission will be informing Parliament of its further intentions very shortly and trusts it will take account in its detailed proposals of the remarks we have made and also of the very practical ideas put forward by Parliament in June on the basis of the Giavazzi and Pfennig reports.

We expect the Council this time to take its duty seriously and to face up to the problems, and we expect the present phase to result in further development rather than becoming bogged down in all sorts of conventicles as happened with the Tindemans report and the report of the Three Wise Men.

(Applause)

President. — I call the European Democratic Group.

Mr J. M. Taylor. — Madam President, may I say at the outset to President Thorn and Vice-President Tugendhat that any criticisms from this group of the report — and, as they will find, there are a number — should be judged alongside and found to be outweighed by our wish to encourage the Commission in its reforming task. The Council, as Mr Dankert has rightly said, has to a large extent lost its way as a decision-making body, and in turn I felt that many of Mr Klepsch's criticisms of the Commission — and I listened to them all carefully — ought more accurately to have been directed to the Council which has left a series of unanswered political questions and walked away commanding the Commission to answer them.

In speaking on behalf of my group, I should like firstly to draw attention to those aspects with which we find favour. In the first place the philosophic opening to the report is sound and firm. The report is realistic and right in returning to the advocacy of a truly single market and in drawing attention to the fact that there still remains a variety of barriers which must be eliminated. We would support the Commission in its note of urgency concerning the consolidation of the EMS, and we would agree that the growth of agricultural spending in the future must be slower than the rate of growth of budgetary resources overall. We would endorse the report's insistence on the need to take a firm grip on illegal and unfair national agricultural aids and we consider that the Commission correctly identifies the need 'for a more vigorous stand towards the outside world and the problems of international competition'. We might go further and express our regret that those sentiments have not been so far fulfilled by the Council of Ministers, for example in the protection of the Community's automobile industry against the penetration of Japanese motor cars into our markets. And I intend no personal discourtesy to the distinguished presence in the gallery when I make that remark.

The report urges a boost for the non-quota section of the Regional Fund, and rightly so. But — and this is perhaps my first criticism — the report does not at the same time offer any serious treatment of the additional problem.

Taking my criticisms further, the next objection to the report from this group is that it offers broad principles but no substantive detail as to implementation, and I realise that I am to some degree echoing what Mr Klepsch has said in that context.

Madam President, more worryingly, there is the shortage of detail and in other ways, it can be said that the report has fallen short of discharging the mandate. As long ago as October 1970 the Commission said, and these also are quoted words, 'Should unacceptable situations arise within the present Community or an enlarged Community, the very survival of the Community would demand that the institutions find equitable solutions'. The present mandate, using similar words, instructed the Commission to take account of the situations and interests of all Member States and draw conclusions from that examination intended to prevent the recurrence of unacceptable situations for any of them. Despite this, we find in item 8 on page 4 of the English-language version that the Commission excuses itself partially from its task with the words 'This is why the Commission has chosen not to confine itself to a purely budgetary view in implementing its mandate'. But the purely budgetary view and a crucially budgetary problem was the Commission's mandate.

Meanwhile, the report is also weak in its tendency to offer the by now almost customary salute to food

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exports, as though those exports were a profitable activity and not an oblique means of dealing with over-production. Food aid, Madam President, has its Christian justification, but in budgetary terms its true cost must not be glossed over in a confusion of motives. Indeed, there is no Treaty authority for such budgetary self-delusion, any more than there is for the frequently relied-on concept of Community preference.

Even supposing that this report largely survives the attentions of the Council in November — which is unlikely — we can anticipate justified objections — which the Commission seems to overlook, by the way — to the manner in which compensation to a certain Member country is recommended to be financed. In paragraph 44 on page 23 of the English version, we find that the resources are to come from the other Member States via abatements on their receipts from the Community. Indeed! Well now, is it not obvious, is it not patent, that this is bound to create inevitable and harmful tensions of just the kind we should be trying to avoid, as will the Community's expectation of being able to determine in large measure how the compensation is to be expended in the recipient country? Compared with these inevitable problems and mechanical difficulties — contrast and compare the proposals of Mr Lange in his November 1979 report — far more elegant proposals have been seemingly ignored in this report by the Commission.

Madam President, I have left to the last the most fundamental weakness of this report: its failure to realise that the problem under review is the European problem and not a United Kingdom problem, and its failure to find a general formula for solution of unacceptable situations, as they are called, regardless of which Member State is suffering at any given time. Much more attention should have been given, for example, to Enlargement. Since there is little likelihood of these or any other proposals coming to fruition before the end of 1982, the potential Portuguese problem should have been looked at closely, and the more immediate anxieties of West Germany in particular. The Federal Chancellor — and one can sympathise with him — has recently asked for an end to unlimited West German budgetary liability. The British Prime Minister has said that it would not be conducive to the future health of the Community if West Germany was to go on paying enormously higher contributions than any other Member State.

Madam President, Mr President of the Commission, this group has never argued for *juste retour* and we would say there is no justification for financial penalty on a nation which wishes to play its full and historic role among European nations simply because in the one case currently under consideration it happens to have a relatively small and relatively efficient agricultural industry. We have a lot of sympathy for those who say that the budgetary consequences to individual nations of Community policy decisions should be

conscious and not merely random or fortuitous. We want something which, for all its good intentions, this report fails to provide. We want a system of permanent solutions to potential budgetary imbalance so that all Member States can devote their unswerving attention to the real job and task in hand and to the reason why we are here, which is the building of a safe and secure and progressive Europe for the people who actually sent us here for precisely that purpose.

(Applause)

President. — I call the Communist and Allies Group.

Mr Fanti. — (IT) Madam President, Mr President of the Commission, for the second time we have received a proposal from the new Commission which is not only profoundly unsatisfactory in itself, but which raises in its turn a series of disturbing questions.

In February we criticized the presentation of the programme. We were answered that in a short time the facts would prove our criticisms to be unfounded. Today, however, even the political forces which gave a vote of confidence to the new Commission last February are obliged to admit that the fundamental defects pointed out at that time unfortunately seem to have become characteristic of the behaviour of this Commission. These defects are: vagueness, lack of precise commitments, failure to put in operation the mechanisms for implementing general strategy. These are hard words, but how else can we express our disillusionment regarding a matter of such importance as the mandate of 30 May? I have no wish to repeat the criticisms already made by the speakers from other political groups who have preceded me — criticisms which, indeed, I share. Even our British colleagues, who benefit by the sole concrete proposal contained in this document, object to a measure which, however it may be received, would introduce the 'principle of fair returns', a concept destructive to the life of the Community.

I wish instead to try to understand why this is happening, in order to make a constructive contribution. In my view, there are two basic reasons: one concerns the content, the analysis of the phenomena; the other — which I would define as institutional — concerns the role of the Commission in the interinstitutional relationship.

In regard to the former, it is not enough to describe the situation in which the Community finds itself. It is necessary to go back to origins and causes if we truly want to modify and correct our policies; to make, as Mr Klepsch was saying, a clear assessment of responsibility. Why were the policies on competition, industry, and energy, whose absence is now being lamented, not drawn up and put in operation? Why has the second stage of the European Monetary System made no

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progress? Why have the imbalances between regions and between countries increased to such an extent as to prefigure the internal division of the Community into two great economic zones, differing in the level and nature of their development? To answer these and other questions is not a matter of mere intellectual curiosity; it is rather an essential condition for promoting, directing, and organizing the renewal of European policy which the present world situation makes so necessary. It is impossible to make any progress in the search for a solution without clearly identifying the responsibility borne by Community policies themselves in producing the present state of crisis — which, President Thorn, is not merely a crisis of adaptation but rather a true structural crisis. The review of the agricultural policy is not a mere bookkeeping operation aimed at producing savings which would permit funds to be transferred to regional or social policies.

In this way we produce only illusions, destined to be short-lived. A review of the agricultural policy not in its quantity, but in its quality is essential to Community policies in general, for — as a study by the Commission itself demonstrates — the agricultural policy as it stands today is one of the causes of regional and national imbalances within the Community.

I would like to dwell for a moment on the question of own resources. The document affirms in point number 40 — and President Thorn has repeated it here — that the Commission cannot accept the artificial limitation of own resources, and that it will propose an increase in these resources when the attempt to attain eventual objectives is to be made. Here we find absurdity carried to its farthest limits, for the contradiction is evident in all 40 of the preceding points, where, in fact, all the problems are artificially limited by budgetary imperatives. It is appropriate here to make the second observation I spoke of earlier — that concerning the role of the Commission in the inter-institutional relationship.

The European Parliament has voted its opinion on the question of own resources, and by a large majority, but this fact is never even mentioned. Why? It is true that there has been a delay in regard to the drawing up of the 1982 budget, but there is no reason why procedures for revising the 1% ceiling should not be initiated. At the same time the commitments for expenditures budgeted for new policies, which have only been described in general terms, should already be dealt with in the 1982 budget. Why is nothing being done? This caution, this dearth of concrete proposals, this vagueness, is a mistaken political choice; it is the choice of those who fear to act without the prior consent of whoever is in charge: in this case, the Council.

Under such conditions no progress is being made; on the contrary, the Commission is abdicating its institutional role. The courage to make choices and present

proposals is essential to the ability to govern. Agreement should be reached through a dialectical process of comparison, and even confrontation, of points of view. We want a Commission which is a true organ of government, not a diplomatic secretariat, or worse, a bureaucracy in the service of the Council.

For this reason, we openly express our criticism of the work of the Commission, in order to assist it in carrying out its responsibilities effectively.

Today I have touched only on general considerations. In the October debate we will try to deal more thoroughly with these issues, for it is not only the prestige of one institution or another which is at stake, but rather the very destiny of the Community.

(Applause)

President. — I call the Liberal and Democratic Group.

Mrs Scrivener. — *(FR)* Madam President, we have now at long last received the Commission's report on the mandate of 30 May 1980, and I need hardly underline the significance of it for the very future itself of the Community. In the view of the Liberal and Democratic Group the report contains much that is positive, but also much that is negative.

On the positive side, first of all, is the fact that the Commission, in affirming the need for a global strategy, is in effect extending the excessively circumscribed mandate from the Council into a broader concept of the overall policy to be pursued by the Community. Another point in its favour is the Commission's rejection on principle of the criterion of net budget contributions, that is to say of the notion of a fair return, which would be totally at variance with the Community spirit and would inevitably destroy everything that has been built up over the years. Positive also is the Commission's emphasis on the need to give new impetus to certain policies, particularly regional and social policies, which should enable the construction of Europe to proceed in an atmosphere of greater solidarity. As regards the common agricultural policy, it is vital that there should be a renewed commitment to its central principles and that this policy is revised to take account of the changed economic situation. The Commission's conclusions also appear to us to be in tune with the needs of the moment. We welcome in particular all the measures to be taken to effect economies and improve management, and the idea of management objectives appeals to us especially. We were also heartened by Mr Thorn's remarks when he spoke of production costs as opposed to world prices, which often bear little relation to economic reality. Lastly, we are encouraged by the importance attached by the Commission to raising additional own resources before any real attempt can

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be made to lay down new Community policies, although of course it is for the governments to choose to pursue these policies.

However, the Commission's document also prompts a number of critical comments and many speakers have already given voice to them. This document seems to be more than anything a declaration of intent rather than the programme of concrete proposals to be implemented according to a definite timetable that we had been expecting. We do not of course underestimate the difficulty of the task, but the general impression is one of a profession of faith rather than a plan of action. And another criticism: a moment ago we were rejoicing in the fact that the Commission rejected on principle the idea of net contributions. But in practice what does the Commission do? There is no escaping the fact that the machinery it suggests for resolving the United Kingdom's difficulties in regard to agricultural policy is simply another form of financing that is very closely allied to the idea of the fair return. Was there then no other option? And it is in this area that we really must insist that the Commission fully exercises its powers. Regardless of the difficulties it may come up against in the face of the inertia of the Member States, it must always be seen to be taking the initiative. And let me stress this: if the Commission will only assume its responsibilities it will find that Parliament is prepared to back it to the hilt. That is why we cannot be content merely with receiving this document. We want to see concrete proposals and we want to see them before the end of the year, for if the institutions are to function properly, it is vital that a tie-up between the 1982 budget and the Commission's proposals be established as quickly as possible.

Madam President, I have touched on the most important points arising out of the Commission's report. As far as we are concerned, it will be of no value unless it leads to the formulation of a precise plan of action. For, in the final analysis, it is all a matter of just how capable the various institutions are of showing themselves equal to the challenge facing the Community.

(Applause from the Liberal and Democratic Group)

President. — I call the Group of European Progressive Democrats.

Mr de la Malène. — *(FR)* Madam President, a bad mandate brings a disappointing response. The Commission's response pretends to be comprehensive, but what do we find? We find a glowing future mapped out for us, of which of course we approve — institutionalized monetary system, European industry, energy, all to be achieved by removing the 1% ceiling, of which we would also approve — but set against this glowing future, which in the report is described in the

conditional tense, we are being offered, in the present, a number of things that we find much less agreeable. We are being offered, in the present, budgetary — and only budgetary — reform of the common agricultural policy, and we are being offered, again in the present, a transfer of resources, described as temporary but which is liable to continue for a very long time, to the United Kingdom. So, a gloomy present for a future which could be brighter. But what we are being offered now is put in the present tense, whereas what we are being offered for the future is being put in the conditional.

The Commission has elected to paint a bright future for us. We wish we could believe in it, but we cannot. And what we are being given now does not satisfy us either: the new common agricultural policy, with its purely budgetary approach, gives us no grounds for satisfaction. There is mention of prices falling, of restricted production targets, together with a whole system of quanta, quotas, co-responsibility, and new rules. There is no suggestion of return to Community preference, quite the reverse, violation of this principle is to be the order of the day. Falling prices, production targets — but what about agricultural incomes? No mention of that. We are told that for the very poor, the most disadvantaged, there will be aid available which is, incidentally, very costly so we are told, which means to say no doubt that this aid will not amount to much. And so we are beginning to see emerge, out of this budgetary approach, a new agricultural policy which we cannot approve. Agricultural policy does need to be revised, adjusted and improved, there is no denying that; but the point of departure should be agricultural policy, not the budget. For example, we are amazed to see not a single word on the problem of imported vegetable fats which as we know are an important aspect of agricultural policy. So that is another black mark, a black mark for the United Kingdom. There is no need for me to dwell on it and as I do not wish to take up too much time I will conclude by saying that the Commission, by its proposals for a bad common agricultural policy, for a transfer of resources in favour of the United Kingdom — all this in exchange for a rosier future — is risking a bad present and no future at all.

I am very sorry to have to say to Mr Thorn that we are unable to go along with the Commission on this. Nor do we go along with the kind of reasoning which says: 'Since I am being attacked from both sides and on grounds that are contradictory, my way must be right'. I do not believe in that. The right way is to move forward now, immediately, not to be content simply to neutralize mutually opposed forces.

(Applause from the Group of European Progressive Democrats)

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Bøgh. — (*DA*) Madam President, we Danes are surprised to see such a noble institution as the Commission acting like a conjuror, turning black into white without the onlookers being able to guess how it is done. Just consider how the scandal over the United Kingdom's blackmailing attempts last year has suddenly been transformed into a recognition of the justification of the United Kingdom's demands. Consider how the concepts of 'the UK's own money' and 'a fair return', which were considered completely contrary to the Community idea, have suddenly become legitimate. Consider how, under a mandate which decreed that nothing should be allowed to alter the principle of shared financial responsibility, it has now been decided to grant the United Kingdom subsidies of thousands of millions from the coffers of other Member States. Consider how, on the basis of an undertaking to respect the inviolability of the fundamental principles of the common agricultural policy, it is possible for the theory and practice of the agricultural policy to be completely changed. Consider how the biggest defeat and retreat in the organization's history can now be transformed into a victory for the Commission's dream of a centralized Community dominated by the big powers, where the only safeguards which the small States have, the right of veto and the ceiling on Community taxation, have completely disappeared. Consider how, with a wave of the wand, the Regional and Social Funds, which up to now have been extremely modest in size, can be turned into powerful instruments in a process of directed development in a more centralized and bureaucratic Community.

The stage is now set for open warfare, despite all the fine talk. The principle of shared responsibility applied to agricultural aid can share out the burden among the States. The expansion of the Regional and Social Funds means there will be a race to see who can get their fists deepest into the common purse, who, like the United Kingdom last year and Germany next, can make the biggest claims on the rest of us. All this comes from the absurd notion that you can tell who is getting the most out of the Community by the way in which the money from the agricultural and Regional Funds is shared out, forgetting the advantages and disadvantages which cannot be measured in terms of the Community budget.

The first time round, it is Denmark which is the loser in this development. Not only must we pay hundreds of millions of kroner to the United Kingdom from Danish State funds, if the Commission's proposals go through. But we must also see the agricultural system, which was the only tangible benefit for Denmark of Community membership, vanish into thin air after Danish farmers have invested in new plant and stock, trusting in the Community's reliability. We are expected to pay into the Regional and Social Funds without, under the proposed rules, receiving any aid in return, because we have been foresighted enough to tackle our problems ourselves. If the VAT ceiling is

lifted, we shall see money which we know exactly how to use at home disappearing into the Community coffers and being swallowed up in vast quantities of paper and red-tape and finally earmarked for more or less cooked-up schemes in the countries which clamour the loudest.

Madam President, we in the People's Movement against the EEC will fight this proposal for reforming the budget with every means at our disposal, for it has more to do with accommodating the wishes of the strong countries and the Commission's power complex than with sound economic sense and justice. And from what I gather, we are not alone; this is unacceptable to even the most committed EEC-supporters in our country.

President. — I call the Non-attached Members.

Mr Romualdi. — (*IT*) Madam President, ladies and gentlemen, there can be no doubt that the mandate of 30 May deals with the need to eliminate imbalances existing between the Member States not as a mere review of the internal organization of the budget but rather in terms of a real development of Community policies and a radical modification of the structures of Community policy in general. This is certainly desirable, though certain provisos must be borne in mind: we must preserve common financial responsibility for policies financed with own resources, retain the fundamental principles of the common agricultural policy and — as the document presented by Mr Giavazzi affirms — avoid creating situations unacceptable to one or another of the Member States.

The mandate given to the Commission by the Council is therefore a broad one, promising a long-range commitment and aimed at accomplishing a real development and a true restructuring of the Community. Without the modifications this implies, the Community will never become a more solid economic and political unit. At present, however, the fulfilment of this project seems to be fading into the distance instead of approaching nearer at hand.

Does the Commission respond to the imperatives of its mission in this report? Does it take up its mandate? It seems to me that the Commission's report shows a good grasp of the meaning of the task at hand, but it gives no precise information on how and in what precise terms this task will be accomplished; nor can we tell from this document whether the ways and means are on a par with the strategy so brilliantly set forth. I will express but one hope: that the Commission's response will not remain in the realm of mere words; that it will not be one of those 'Sunday speeches' condemned by Mr Thorn himself; but that it will produce practical initiatives to be submitted to the judgment of this Parliament as the true protagonist of the development of Community policy.

Romualdi

I hope that the Council will realize that there can be no real development through new and important efforts of restructuring if we are not willing to make further sacrifices. It is necessary to be aware of two things: first, that available resources should not be limited by the 1% VAT ceiling — a subject treated briefly and not very clearly by Mr Thorn; second, that there can be no hope of solving either the crisis of the Community or that of the individual Member States without a serious effort to strengthen our Community, the only organization capable of enabling Europe to respond effectively to the economic and political challenges arising from all over the world.

President. — I call Mr Baillot.

Mr Baillot. — (FR) Madam President, I should like to use the short time allotted to me to deal with one or two points arising out of the Commission's report and which we regard as crucial.

As everyone will recall, the basis of the Council's mandate to the Commission lies in the fact that substantial amounts of financial compensation were awarded to the United Kingdom in 1980 and 1981. In its report the Commission formally accepts the United Kingdom's arguments and essentially establishes its entitlement to compensation, even while attempting to restrict such compensation to the agricultural part of the budget.

This attitude in our view calls for a number of observations. The Commission overlooks the fact that the British contribution to the Community is calculated on exactly the same basis as those of the other countries. It is not therefore an unacceptable situation for the United Kingdom. If the level of the United Kingdom's levies and customs duties is so high, it is because, as we have said repeatedly in this House, it continues to trade heavily with third countries, while at the same time enjoying numerous exemptions from Community preference since its accession which form a kind of situational benefit. The Commission 'forgets' to point out that a substantial part of the British deficit is due to the existence of large positive monetary compensatory amounts which are a budgetary liability for importing countries but at the same time offer certain advantages to their agriculture. The question has to be asked therefore: did the United Kingdom not know what it was committing itself to by joining the European Community? We believe that a firm attitude towards the United Kingdom is all the more justified as it is in the forefront of the movement to dismantle the central principles of the common agricultural policy.

Here again, in spite of the contradictory forces apparent in its report, the Commission is not unresponsive to the United Kingdom's arguments. Instead of consolidating the only common policy that we have,

the Commission, whilst in principle in favour of it, is in practice jeopardizing it under the pretext of adapting to realities. It is forcing farm prices down to bring them into line with world prices which are completely artificial. It proposes a vigorous commercial policy, which is something we have always been crying out for, but makes it conditional on the Community's international commitments being respected. That is to say, to put it bluntly, that the Commission is essentially yielding to American demands by the introduction of the quantum, by limiting Community production and by taxing it. A good many of these measures, therefore, call into question the CAP and its principles, especially the principle of financial solidarity; this is contrary to the 30 May mandate in which the Council asked it not to call into question the central principles of the common policy.

In its report the Commission claims to have looked at every possible approach, but without saying exactly which. Yet there certainly are other options which will permit the budget difficulties to be resolved and the dissolution of the common agricultural policy to be prevented. It would also be appropriate to point to the real reasons for the rise in agricultural expenditure and the shortage of own resources, which we have done here on several occasions already. Finally, and this is my last point, in the first part of its report, the Commission proposes to give a new impetus to the construction of Europe. We cannot all agree. But the Commission does not suggest any concrete measures or clear objectives to help solve the most pressing problems of the moment: unemployment, inflation, regional imbalances, for which the people are having to bear the consequences. The seriousness and urgency of these problems demands, in our view, a more dynamic approach, backed up by national policies to overcome the crisis, encourage growth in consumption and thus growth in economic activity, and break the vicious circle of austerity, unemployment and social inequality. That is for us the overriding priority in this social Europe that we want to play our part in building.

(Applause from the Communist and Allies Group)

President. — I call Mr Pesmazoglou.

Mr Pesmazoglou. — (GR) Madam President, the report which the President of the Commission presented to us is a thorough document containing many important observations on all the sectors of the Community's activities. My remarks refer to the emphasis which must be given to the political desire to make the Community effective. This, of course, is the responsibility of the Commission, and more particularly of our Parliament, and the remark, the critical remark, which I wanted to make about Mr Thorn's report is that it lacks any clear indication of the order of priority

Pesmazoglou

which should be given to essential political decisions. We are convinced that it is essential that all European governments must gain an awareness that the economic, social and international political problems of our age cannot be solved outside the Community unless a common policy emerges from the Community's organs. For this reason I do not agree with my colleagues who expressed the opinion a few moments ago that the social problems of our age can be solved through national policies.

In winding up I have three remarks to make, Madam President.

The first remark is that the problems of unemployment and inflation cannot be solved unless there is a more specific common policy to get economic development moving again. Economic development in the Community as a whole is something which the organs of the Community alone can promote through the initiative, to a large extent, of the Commission. This means that it is essential to solve the problems of a converging economy, of financial and monetary policy, and the problems of strengthening the European Monetary System and, naturally, the problem of the budget and exceeding the 1% ceiling which is already clearly out of date.

My second remark is that the Community as a whole and the Community's activities as a whole must take on a social dimension. From this point of view, the proposals and the initiative of the new President of France at the recent European Council were particularly important. It is also a disturbing fact that there has been no declaration and that all the countries of the Community and their governments are not determined to establish social union within the European Community.

My third remark concerns the need to limit social and regional inequalities. This means that a decision has to be taken to strengthen the Community's regional policy. At this point I have to say that this does not only concern the regions and the countries that are economically weaker in the Community. It also concerns, to a very large extent, the regions and countries in the Community which are economically strong. The Community as a whole needs to adopt an 'orientation communautaire' — I am saying this in French to make it quite clear what I mean.

All these matters involve political decisions and, besides the Commission's report which is quite thorough, I underline the fact that the provisions of the Treaty of Rome are our responsibility, that is of the European Parliament and of the governments, a responsibility which rests on our taking political decisions which will make the Community as a whole effective, this being in the interest of all European peoples.

President. — I call Mr Lalor.

Mr Lalor. — Madam President, my Chairman has already outlined the views of my Group in this regard, and I simply want to say that as I see it, while the road to reform within the European Community is paved with good intentions, the report of the Commission on the 30 May mandate is in reality an undisguised attack on the future of farming in the Community. The implications of the report for all farmers, but particularly for Irish farmers, are very grave. The Commission will need to spell out in far greater detail the effect of its proposals. Potentially, this report is the most significant document to come out of Brussels in many years. It is not good enough, therefore, that at this stage so many ambiguities should arise.

The Group of European Democrats are duty bound to seek clarification on a number of issues raised in the Commission's report. The Commission says that production targets in terms of volume must be set for every sector at Community level. Once these are reached, producers would be required to contribute or alternatively the intervention guarantee could be reduced. The Commission is also reintroducing its plan to extend existing co-responsibility for milk products. This could only mean the introduction of a crippling super levy. Are Irish farmers to be offered as sacrifices to the gladiators in Brussels and in Britain? We cannot have this. Even colleague John Mark Taylor does not think this is wise policy.

The Commission was clearly instructed in its mandate not to call into question the basic principles of the common agricultural policy. Whereas in theory this would appear to be the case, the Commission's new proposals greatly diminish these principles. We would be very wary of the comments made by the Commission that farm income considerations cannot be the sole point of reference for fixing guaranteed prices. As one reads further through the report, it becomes clear that farming is to bear the full brunt of the Brussels axe. It says 'Bearing consumers' interests in mind, prices must reflect market realities more than they have in the past'.

That says the Commission. History reminds us all too well of the British Government's cheap food policy in the past which has nothing to do with the interests of Community farmers enshrined in the Treaty of Rome. The Commission's suggestion that Member States which benefit more from common agricultural policy than their British partners should demonstrate their solidarity by channelling some of the funds to Britain, must be fully explained. It was President Thorn's view that a symbolic payment would be appropriate for Ireland. Symbolism, where budgetary matters are concerned, is a new departure, even for the Commission. Vague talk about cash handouts for farmers in deprived areas is meaningless without facts and figures.

Lalor

Furthermore, when you read that the production targets, or in other words quotas, must allow for imports flowing from the Community's international commitments, one begins to wonder whose side the Commission is really on. Is our farmers' future to be decided purely on the basis of political considerations, or Commonwealth relations? The Commission is talking about monitoring imports that might cause upsets. The Group of European Progressive Democrats have consistently stated that one of the principal culprits for the existing structural surpluses were the imports of oils and fats and substitute feedingstuffs. They are major causes of budgetary constraints in the agricultural sector. This fact has been ignored by the Commission in its report, which was largely devoted to agriculture, and this is rather amazing. How could the Commission ignore imports from non-EEC States such as New Zealand and Australia? Let me say that all that remains for the Commission to do is to ratify full membership for New Zealand in the Community.

President. — I call Mr Blaney.

Mr Blaney. — I also find that the report on the mandate by the Commission and indeed what has been said by Mr Thorn, President of the Commission, here today, raises very serious doubts as to the future well-being and welfare of the farming community of the Community as a whole and particularly so in regard to a smaller and less-developed, less well-off region of that Community. It is all very well for the Commission to indicate that the ceiling must be raised while at the same time not being very real in this approach, and thereafter to give us to understand that regional policy and social affairs and many other very desirable things may be expanded. But the clear indication is that that expansion must be paid for by reductions in the cost of the common agricultural policy.

And this cost is not intended to be spread in a fair or just manner, but rather, from the proposals, it would appear that the smaller farmers, the less-developed farmlands of the Community, are left to be grabbed by the larger farmers who in turn will, we believe, in future regulate the prices for farm and food products within the Community by getting together with other large food exporters from outside the Community to align their prices. I wonder whether it is to align the prices or to line their pockets or somebody else's pockets in the agro-business as a whole.

Certainly there is no basis whatsoever within the report of the Community which gives us any hope that they are even thinking along the lines of trying to develop, as the Treaty of Rome laid down we should, all of our people equally, particularly since the common agricultural policy is the only really near-full policy that we have got. We start to demolish it and at the same time justify that demolition on the basis that other programmes may be built up.

This is not good enough, and it is not an answer, nor is it the promise that was made and is indeed enshrined in the Treaty. Co-responsibility on milk is the only answer still coming from the Commission. I have put to them time and again tier-pricing. Have they given that any serious consideration, or will they do so in the future, while there is still time? Production targets, we know what they can lead to, and again it all points to the liquidation of the smaller farms and the smaller farmers and the building up of the large farmers, who in fact heretofore and now have been reaping the benefits in an extremely large way. And then it is spread around that all farmers are so much better off, are well off and are in fact doing too well out of the common agricultural policy. Then, to the British we are all to contribute something which, as has been said here, will only be a symbolic payment in the case of a country such as Ireland.

I am fairly well aware of the situation insofar as British farming is concerned, and quite candidly, symbolic or otherwise, when we compare farming in Ireland and the state of our agricultural industry with that in Great Britain, I can see no reason for symbolic or any other payment being made by my country to Great Britain. Indeed, if we were to use the yardstick used by the Commission, we would be seeking from Great Britain payments to countries such as mine.

These are the thoughts that I have. I believe that the Commission have not given real consideration to the problems that face us, which is mass unemployment throughout the Community. This is not the answer to it and the answer would be much more along the lines that many have spoken about over the past few years and that is, to curb the imports that are damaging us so much from outside countries and look after our own interests to begin with. Then, and not until then, should we be talking about the welfare of those in the other large countries, and exporters, such as we have been doing up to now.

I think that we have been wrong in our approach. We seem to be hellbent on continuing in that way with our own people and our own farmers and our own workers being out of work, all in the interests of better relations with the countries outside the Community. This is not good enough. It is not what we joined it for and it certainly is not progress as envisaged by the principles and the Treaty laid down for us. We feel most unhappy about it, and I certainly, from the point of view of my own country, am most alarmed by what the Commission is proposing. It gives me little hope for the future that things are going to improve and that the ravages that have taken place in the farming community in the last two or three years are going to be made up for in the future.

President. — The debate is closed.

I would remind you that a debate going more fully into this topic will be held at a future date, probably in

President

October. This item was added to the agenda so that we could hear the Commission right away, but it was understood that, in this first phase, only group spokesmen would speak.

Since the next item is not due to be taken until 11 o'clock, we shall break off for a few moments.

(The sitting was suspended at 10.50 a.m. and resumed at 11 a.m.)

3. Seat of the Community institutions

President. — The next item is the report by Mr Zagari, drawn up on behalf of the Political Affairs Committee, on the seat of the institutions of the European Communities and in particular of the European Parliament (Doc. 1-333/81).

I call Mr Fischbach.

Mr Fischbach. — *(FR)* Madam President, I beg to read to you a procedural motion the text of which, couched in legal terminology, runs as follows:

The European Parliament

- having regard to Article 77 of the ECSC Treaty, Article 189 of the EAEC Treaty and Article 216 of the EEC Treaty which provide that 'the seat of the Institutions of the Community shall be determined by common accord of the Governments of the Member States';
- whereas the ten governments, having failed to reach this common accord on the choice of the seat of the institutions of the Community, have fixed provisional places of work for these institutions,
- renewing its appeal to the Member States to exercise without delay the prerogative of fixing the seat reserved to them by the High Contracting Parties of the Treaties of Paris and Rome and by the national parliaments which ratified these Treaties, in the interests of the proper functioning of all the institutions and the legal security of all the parties concerned,
- whereas, notwithstanding the legitimate criticism by the European Parliament of the failure of the governments to fulfil their obligation under the Treaties, Parliament for its part intends to abide by Community law,
- whereas respect for the rights and powers embodied in the Treaties and ratified in due form by the parliaments of the Member States remains the cornerstone of the process of European integration and, consequently, the European Parlia-

ment has no intention of usurping the responsibilities still reserved to the governments of the Member States,

- whereas the Bureau of Parliament must without delay establish contact with the governments of the Member States to ensure that they discharge their responsibilities, taking into consideration that it is in the legitimate interest of Parliament to ensure not only that it can function satisfactorily but also that it can perform effectively the task assigned to it by the citizens of Europe in its election by universal suffrage,

Decides to proceed with the agenda.

Madam President, scarcely has Parliament finished listening to a statement from the Commission on the important report it has drawn up at the Council's request, scarcely has it had time to consider the ominous outlook presented in the report, than we find ourselves turning to a problem which, although an important one for us, is liable to cause our dissensions to rise violently to the surface and leave feelings of deep bitterness and resentment among the Members of this House and among at least some of the Member States.

In the first place the Zagari report raises a serious question of legality. It could place our Parliament in the position of having to answer the accusation of encroaching on a province that the Treaties have quite unequivocally reserved to the governments of the Member States.

The Heads of State and Government themselves, when they met in Luxembourg, let it be clearly understood that the prerogative of fixing the seat of the institutions also implied the prerogative of fixing provisional places of work. He who can do more can do less. It is not within the power of any of our national parliaments on their own initiative to cancel, suspend or modify any international commitments. In all our countries changes in the law require certain constitutional procedures to be followed.

The same is true in the Community. Would we be complying with these constitutional or institutional procedures by taking today decisions which, in the immediate future as regards one Member State and in the foreseeable future as regards the place where we are meeting today, could have far-reaching consequences about which the governments of these States have not even been invited to express an opinion? How could these governments accept such a decision? How would one go about explaining to those citizens of ours — and, to start with, to our own officials here in Parliament — why it is that situations legitimately arrived at are being altered by a vote taken on Parliament's own initiative, and taking place in an atmosphere of confusion and controversy?

Fischbach

Why was this matter not referred to our Legal Affairs Committee, which ought to have been better qualified than the House in plenary session to give careful consideration to the positions and legal arguments involved?

A vote today along the lines suggested by our Political Affairs Committee would have unfortunate consequences for some to whom our only reproach could be that they trusted in the European Parliament's sense of what is right and in its standing by its obligations.

What conclusions will a certain number of our citizens draw on discovering that this Parliament is not — contrary to what they might rightfully have expected — the defender of rights and liberties against the encroachments of a European authority? A proper solution to the problem of the seat and the working places can only be found through frank and open discussion between the parties concerned — with due consideration being given to established rights, because that is the rule in our Community — and also in the determination to resolve the fundamental problem, which is the problem of Parliament's role and function in the Community. Who could ever accept any future expansion of this role and extension of the powers deriving therefrom if it emerged that Parliament was exceeding the law and flagrantly violating justice or refusing to be objective?

That, Madam President, is the essence of the procedural motion which I, together with a number of other Members of this Parliament, should like to submit to a vote by this House.

(Applause from certain quarters)

President. — I call Mr Pannella.

Mr Pannella. — *(FR)* Madam President, I submit to you that the reason why the Legal Affairs Committee was not consulted on this problem is that from the legal standpoint the issue is clear-cut. We could not allow the matter to be referred to the Legal Affairs Committee because the decision that the majority in this Parliament want, or appear to want, has no basis in law.

Madam President, we probably can improve our lot, but if we are to do it and still remain within the law, and still respect certain rights, then there is but one course for us to take: that is to have two seats instead of three, namely Luxembourg and Strasbourg, since Brussels does not figure directly or indirectly in any legal instrument. Like it or not, Madam President, there it is — and I am no stickler for the law by any means.

How I wish Parliament would sometimes have the courage to throw down a challenge, to defy even the

Treaties; but how cowardly to do so at the expense of Luxembourg or at the expense of minority interests, while being only too ready to take anything that the Council, and the Commission too, may throw at us, even to the point of ignoring fundamental rights and basic European law.

This is yet another example, Madam President, of an attempt in this Parliament to interfere with the rights of Members, by making it impossible for them to have the floor because speaking time is allocated to groups. By increasing the number of urgent debates, national minorities are deprived of the right to request urgent procedure themselves. Gradually these national and political minorities are being denied the respect and consideration to which they are entitled. And now here we are on the point of taking a decision that would make a mockery of the law and I for one hope that, if that is the way the vote goes, for Europe's sake and for the law's sake, Luxembourg will not take it lying down. Madam President, with the ten governments being unable to agree among themselves, we are thus going to place this Parliament in the position of being the oppressor of a minority. No-one now seems to spare a thought for the European Centres that only Strasbourg and Luxembourg were able to give us, and perhaps that might have something to do with the fact that we may already have certain real-estate interests in Brussels!

Madam President, I believe it is a pity that the Legal Affairs Committee chose not to take this matter in hand. The fact that it did not is significant. This evening the legal honours go to the little State of Luxembourg and its government . . .

(Protests from certain quarters)

President. — I call Mr Tyrrell.

Mr Tyrrell. — Madam President, I wish to speak against Mr Fischbach's point of order. Parliament has always asserted its right to be able to decide where it meets. In May 1959, 22 years ago, Parliament asserted that, if the governments did not fix a seat, Parliament would itself decide where its plenary sittings and its committees should meet. It decided so again in 1964 and 1965; it decided so in November 1980.

This right of Parliament arises under Article 142 of the EEC Treaty. It is the article which gives us the right and the duty to fix our own rules of procedure — that is, the right and the duty to organize our affairs for the most efficient dispatch of our business, and that inevitably means deciding where we are going to meet. I wonder how Mr Fischbach thinks we ever came to meet in Luxembourg: it was not because any governments of Member States told us that we should, but the Parliament as a whole decided that it would, and it has been doing so of its own accord since 1967 until last year.

Tyrrell

So there is no doubt at all that Parliament has the right and the duty to discuss this matter. If, however, anybody thinks that Parliament is going beyond its legal powers in deciding this matter, then that Member State can of course take the Parliament before the Court of Justice under Article 38 of the ECSC Treaty, and the Court of Justice could then decide; but in my view there is no possible justification for challenging the competence of Parliament to decide this point.

(Applause)

(Parliament rejected Mr Fischbach's motion)

President. — I call the rapporteur.

Mr Zagari, rapporteur. — (IT) Mr President, ladies and gentlemen, the Political Affairs Committee's report on the seat of the Community institutions — and particularly of the European Parliament — deals with a question of fundamental importance for our institution: the absolute necessity of deciding where Parliament will carry out its activities and perform its functions.

If I may be permitted a brief personal observation, I must say that although I found myself in the minority during the debate held in the Political Affairs Committee, I agreed to support the thesis in question for two basic reasons: firstly, because the resolution is of an interlocutory nature; secondly, because it renews in categorical terms — one has but to reread the explanation — the request that Parliament be invited to collaborate and participate in the decision, a request which the governments cannot again refuse if they truly intend to give new impetus to the construction of Europe.

I am fully aware — and the proposal presented to us by our colleagues from Luxembourg demonstrates the fact — that we are facing an explosive issue. It is explosive because it involves different and contrasting viewpoints, as was evident from the entire debate in committee; it is explosive also because the problem, before being institutional, is existential: it concerns the *primum vivere* of the European Parliament. Above all, it is a question of deciding whether or not the Parliament can in fact exist. This is a factor that arouses the emotions of each Member of Parliament, regardless of the type of solution he or she may support.

The Political Affairs Committee and its rapporteur were and are aware — and I think Mr Rumor will agree with me — that only a very small part of the subject falls within the Committee's field of competence. All Parliamentary levels, from the Quaestors to the Committee on Budgets, from the Legal Affairs Committee to the Bureau and the conference of Group Leaders share an equal interest in the matter. The Group Leaders decided to bypass the Political

Affairs Committee and admonish the governments directly, urging them to arrive at a solution to this problem. The committee did not resent this, for the issue was essentially the responsibility of the entire European Parliament.

There is, however, a problem which concerns us more particularly. We Members of the European Parliament have our own responsibilities and we must account to our electorate for what we have done, for the structures we have created; although we should not be too indulgent with ourselves, the primary responsibility belongs to the governments. Without touching on legal aspects — since no one has ever questioned Article 216 of the EEC Treaty, no one has ever wished to leave this framework — it is up to the governments, in the final analysis, to provide a concrete response to the request which is being addressed to them from all points on the political spectrum. Therefore, the greatest responsibility belongs to the governments.

It belongs to the governments because, in the first place, the issue has been pending for twenty years, and in the course of those twenty years the governments have never applied the Treaty. In the second place, after the election of Parliament by universal suffrage, the governments appeared to have been unaware that a qualitative change had occurred and that a new and different sovereignty had arisen in a different sort of legitimacy. I believe this to be the fundamental point which concerns each one of us.

Whatever judgment can be made regarding the relationship of the new Parliament to the old, it cannot be ignored that the new Parliament has assumed a nature and function completely different from those of its predecessor.

Here we encounter a quantitative problem which is becoming a qualitative one: today there are more than 400 of us, while in 1965 Parliament was made up of 142 members and possessed a staff of around 500; today this staff numbers 3 000. How can these changes be compared and politically measured without allowing for the fact that Parliament is here as the result of a decision made by a sovereign electorate?

It must also be borne in mind that this Parliament is weaker in many ways than the old one, which had roots in the respective national parliaments. It was possible for each Member — and I was one of them — to observe and influence events in his national parliament on a regular basis. The Parliament of today no longer has a direct, organic relationship with the national parliaments, and it is therefore cut off from national parliamentary life without having established a focus for its own sovereignty and decisional capacity.

We could approach the legal problem in a variety of ways. We could review the opinion furnished to the Bureau by the legal service. I personally agree with this opinion. No one wants to violate the rules which

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govern our relationship with the Member States. There does exist, however, a relationship between us and the governments: a relationship, not a mere dialogue at cross purposes. The governments should not take refuge behind a barrier and refuse to listen to the European Parliament, for in such a situation Parliament cannot explain its true position in respect to them, nor describe the conditions under which it functions.

It is obvious, therefore, that the problem is one of communication. In attempting to solve problems of this sort in an indirect way, I have often found myself faced with a total incomprehension on the part of government representatives, who cannot grasp the difficulties encountered by members of a 'traveling circus' assembly whose ties with the national parliaments have been cut and whose internal organization is continually being disrupted by the need to function in different locations. It is absurd to believe that a Parliament obliged to work in three different places will be able to survive. Even though the most advanced technology is available to convey information rapidly from one site to another, we are constantly made aware of the impossibility of continuing in this manner. We are thus in a situation which is deteriorating day by day.

I believe we should discuss the declaration issued by the governments concerning the various working places. I think that the Commission's opinion is not different from the one outlined in this assembly. Its decision is in the form of a declaration, and does not constitute a definite manifestation of will which must be acceded to.

In a response by Mr Ortoli in 1973 — given in fact to Mr Fellermaier, who is present here today — these observations were set forth clearly enough. More recently, Mr Jenkins, President of the Commission, gave a similar answer to a question put by Mrs Castle. From this it emerges that the Commission believes, as we do, that there is a margin available to Parliament which allows it to decide how it will perform its functions.

Ladies and gentlemen, I don't want to pursue this question any further at present. I will say that this problem presents itself at a time of crisis in the European institutions. If Parliament is to become a force for European reconstruction, it cannot remain silent in the face of the problems which arise on every side.

To summarize the terms of the problem, I will remind you that the ECSC Treaty, which goes back to 18 April 1951 — this is 30 years ago — lays down in Article 77 that

'The seat of the institutions of the Community will be determined by common accord of the Governments of the Member States.'

Article 216 of the EEC Treaty and Article 189 of the Euratom Treaty, both signed in Rome on 25 March 1957, stipulate in identical terms that

'The seat of the institutions of the Community shall be determined by common accord of the Governments of the Member States.'

30 years have passed, ladies and gentlemen, since the first formulation of this necessity. In all this time, no progress has been made.

We are faced, therefore, with a failure to apply the dispositions of the Treaties, which call upon the governments of the Member States to determine the seat of the institutions of the Community by common accord. This failure to apply the Treaties was perpetuated with the 'Decision of the representatives of the governments of the Member States concerning the temporary installation of certain institutions and services of the Community' of 8 April 1965. In virtue of Article 1 of this decision

'Luxembourg, Brussels, and Strasbourg will continue to be the temporary working places of the Community institutions.'

Subsequent to this decision made by representatives of the Member States in application of Article 37 of the unification treaty, which essentially brought about the fusion of the Council and the Commission, Parliament became the only institution of the three Communities obliged to pursue its activities simultaneously in the three aforementioned locations.

(Interruption by Mr Pannella: It is Parliament's own fault!)

... It may well be Parliament's own fault, as Mr Pannella has said. I intended, in any case, to speak of the responsibility for this situation, attributing a part of it to each institution.

Parliament, therefore, is the institution most seriously affected by the consequences of the decision of 8 April 1965, for the output of energy imposed by this decision on the Members of the European Parliament and on its secretariat complicates the performance of its institutional tasks to an unacceptable degree. Furthermore — and this is not a secondary consideration in respect to the foregoing one — the distribution of different activities to different places results in an increase in operational expenditure which cannot be justified before public opinion.

This situation, which Parliament has always criticized, has created a background against which the rights, legitimate interests, and legitimate expectations of the three above-mentioned sites must be considered.

The European Parliament, although aware of these consequences on the strictly legal level, cannot maintain silence any longer regarding the fundamental

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question of the conditions under which it is obliged to function. Its silence — I repeat — would constitute an implicit abdication of its political prerogatives, an abdication which public opinion would certainly condemn and which would just as certainly have negative repercussions on the electorate at a time when the problems of the European institutions are particularly serious.

The long series of motions for resolutions — we cannot ignore them — concerning the seat of the Parliament which were handed over to the Political Affairs Committee for study bear witness to Parliament's interest in the solution of this important and difficult problem. To these has now been added the resolution adopted by Parliament on 20 November 1980, which invited the Member States to arrive at a decision concerning the seat of the European Parliament, conditional upon consultation with the latter before 15 June.

Despite this appeal to the governments, nothing has happened. The hopes raised by the European Council of Maastricht on 23 and 24 March 1981 have been disappointed. In fact, the Heads of State or Government unanimously decided to confirm the status quo regarding the temporary working places of the European institutions. As on countless other occasions, Article 216 of the Treaty was invoked as an insurmountable barrier for Parliament, and the consequences of the decision were resolutely ignored.

Madam President, ladies and gentlemen, as the rapporteur of the Political Affairs Committee I must point out that this report represents the point of view of the committee as determined by a narrow majority.

Personally, I would be in favour of a clearer and more precise statement which would constitute an unequivocal expression of our desire to unite our structures for debate and administration in a single locality. I am all the more convinced of this in view of the fact that the French Government has taken the initiative — in its memorandum of 16 September 1980 — to set in motion the procedure relative to a definitive decision regarding the seat of the European Parliament in the general framework of the problem of the seat of the Community institutions in general.

This initiative, which represents the only positive act to set against the negative record of the governments of the Member States on this question, is mentioned in the fourth 'having regard to' of the motion for a resolution. We can only deplore the fact that it produced no results. Our doubts regarding the political will to face this problem and deal with it responsibly and promptly are therefore justified.

For Parliament, which, in accordance with the Treaties is composed of representatives of the peoples of the Member States of the Community, this inertia on the part of the governments has a negative effect on the

ideal bond which should exist between the parliamentarians and their electorate. The Act of 20 September 1976 confirms, in the first article, the direct tie between those of us who sit in this Assembly and those who conferred upon us a mandate through election by universal suffrage. Nevertheless, we still operate as an entity cut off from the reality of a place which would identify our function and activities. This is also a negative factor, especially for the parliamentary institution, which should hold a greater place in the minds and imaginations of the electorate than it does at present.

Precisely by virtue of this ideal bond between our institution and the peoples of the Member States joined together in the Community, the choice of the seat of the European Parliament will in turn designate the place destined to become the political capital of the Community itself. Such a choice, consequently, cannot be made without our active participation, in the form of a consultation with the governments of the Member States.

These considerations led me to accede to the request of the Political Affairs Committee and propose certain general criteria to be applied in the choice of the most suitable place to establish a single seat of the institutions and bodies of the European Community.

These criteria can be summarized as follows:

- (a) the sole seat of the institutions should allow Parliament, as the institution which exercises political parliamentary control, to discharge its mandate without being geographically separated from the institutions upon which it exercises this control;
- (b) the seat of the European Parliament should be in a city easily accessible by common means of transportation (air and railway lines) and the city should possess the infrastructures necessary to support these institutions; it should furthermore be located, on the basis of geographic and economic considerations, in a central position in a Community Europe enlarged to include 12 members;
- (c) the seat of the European Parliament should be located in a city which can provide continuous contact with the mass media, with political and diplomatic bodies, and with political and parliamentary centres of Community interest;
- (d) in deciding upon the seat of the Community institutions and particularly of the European Parliament, the historical and political qualifications of the cities which aspire to become the 'political, parliamentary, and administrative capital of Europe' must be taken into account.

Evidently, these criteria were to have been considered in the framework of a constructive political will.

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Madam President, the Political Affairs Committee preferred to underline the procedural aspect of our action, making no judgment on the present situation. This procedural aspect represents the essential point of our motion for a resolution: we request that consultation procedure be initiated without delay, with a view to determining, with our effective participation, a single seat for the European Parliament.

In the meantime, until a single seat has been decided upon, Parliament will continue to sit in Strasbourg, while the meetings of the parliamentary committees and the political groups will be held, as in the past, in Brussels. Thus the present situation will not be altered. The only new element on which we fix our hopes is the consultation procedure. If we succeed in initiating this, we will have already made some progress. It will be the first step towards finding a solution.

The consultation procedure will in fact permit us to pursue two objectives: on the one hand, we will do away with inertia on the part of the governments; on the other, we will participate in a choice which the governments — entrenching themselves behind the letter of the Treaty dispositions — reserve to their exclusive judgment.

If the French Government, which is the government of the largest of the countries which declare themselves directly concerned, would make another attempt to open up the situation, it is possible that, if supported by a sufficiently large majority, it could propose to the governments that Parliament participate in the solution of such an important problem.

For Parliament, I must repeat, the establishing of a single seat is significant; it will affect its efficiency and its regular relationship with the other institutions; it will constitute a symbol in the eyes of public opinion. Parliament, therefore, will not be influenced by disputes between the governments; rather, in expressing its choice, it will take into account the needs and conditions of its own Secretariat.

Madam President, ladies and gentlemen, I have illustrated the point of view of the Political Affairs Committee. By approving the motion for a resolution, we will begin the difficult task, in which we intend to participate, of establishing a single seat for our Parliament.

(Applause)

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call the Socialist Group.

Mr Seefeld. — (DE) Mr President, ladies and gentlemen, the present situation is such that none of us can be happy with it. We all complain about the difficulty of our work. We complain about the excessive costs caused by the fact that we have three places of work. We say that money is being wasted. We complain about certain obstacles to contacts between the institutions. All that is true.

But simply complaining about time, energy and money wasted does not get us anywhere. It is time, in our opinion, for action to be taken. We must say what we want, and we must get the necessary decisions taken. Two years ago, ladies and gentlemen, as we all know, the first direct election of the European Parliament took place. At that time many of us had the firm intention — and we told our constituents so — of putting an end to what is so contemptuously referred to as the 'travelling circus'.

To this end, my Group, the Socialist Group, immediately tabled a motion for a resolution in late 1979 to set the debate on this subject in motion. The text of that motion for a resolution, ladies and gentlemen, is just as valid today as it was when we drew it up. In it we say we have a great responsibility to the European taxpayer. We say that the electors expect certain things of us, and we say that we can only do our duty if we do our work in one place. We point out in that resolution that practically every parliament in the world and all the parliaments of the Member States of the European Community have only one seat, where representatives are able to carry out their duties effectively. In my country no one would dream of saying that the government has its seat in Bonn, while parliament meets sometimes here and sometimes there. Nor would anyone in France dream of saying that, although the government is in Paris, the National Assembly should sit first in Marseilles and then in Bordeaux or somewhere else. Anyone who made such a proposal would be greeted with shaking heads at the absurdity of the idea.

Ladies and gentlemen, I feel we should make it absolutely clear here today what we want: we want an efficient Parliament that is capable of doing its work, a Parliament that is able to carry out the mandate it has been given by the electors. That is what is at stake and nothing else.

(Applause)

We call on the governments at last to honour what Article 216 of the EEC Treaty says. It reads: 'The seat of the institutions of the Community shall be determined by common accord of the Governments of the Member States'. For us, for my friends and myself, Article 216 represents a legal requirement which the governments have now failed to meet for over 20 years. We therefore note with approval that the European Parliament is now prepared to settle its affairs itself. We agreed to set the governments a deadline:

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June 1981. This deadline has passed. The Governments' reaction to our demand has been silence. And in Maastricht they confirmed the *status quo*. They would not or could not agree to more than that. But *status quo*, ladies and gentlemen, means a continuation of the travelling circus. *Status quo* means that working conditions will remain unacceptable, for staff and for Members. And *status quo* means further unnecessary expense, further money wasted. All of this ultimately signifies less effective work on the part of us all. We cannot want that, and we must not put up with it.

(Applause)

Ladies and gentlemen, we have a great opportunity today to state clearly what we consider to be right.

We must not let this opportunity slip away, and Mr Zagari's report urges us to take action. On behalf of my Group I should like to thank Mr Zagari for the trouble and work he has put into this report.

The majority of the Socialist Group, on whose behalf I am speaking, is sorry to find that many of the correct and satisfactory statements contained in the first version of Mr Zagari's report have been watered down during the discussions in the Political Affairs Committee and that some have completely disappeared. The majority of the Socialist Group would like to find a clear and logical solution to the question of the European Parliament's place of work, and for most of my friends the logical solution would be for the European Parliament to have one place of work. And in the opinion of the majority of my Group this place of work should be Brussels. A decision for Brussels should not be seen as a vote against other places, simply as a decision in favour of the most suitable place.

What Brussels has in its favour is the following:

1. The Commission of the European Community has its seat in Brussels. We need permanent contact with the Commission and with its services.
2. The Council has its seat in Brussels, as do the Permanent Representatives of the various Member States.

Everyone surely realizes how important it is for the European Parliament to be in close and constant contact with the Council.

3. The most important embassies of the countries with which the European Community has relations are mostly located in Brussels. I will do no more than refer in this connection to the Lomé Convention and to the regular contacts we need in this respect alone.
4. The European and international press observes activities in the European Community from Brussels, and it has unfortunately been found that

sittings of the European Parliament in other places are not given sufficient publicity.

And a fifth reason I would give is that its central position and good communications are, the majority of my Group feels, further points in Brussels' favour.

Mr President, the text the Political Affairs Committee is proposing signifies, in our opinion, a step backward from what the European Parliament has itself already called for: a single place of work. The solution proposed here will not give us *one* place of work: it will unfortunately leave open the possibility of our working at *two* places. This resolution unfortunately does not make for the desired clarity. The staff of the European Parliament will continue to face the uncertainty and irregularity they now suffer. We cannot and must not want that.

Ladies and gentlemen, the conclusion my friends and I draw from everything I have said is that we must continue to think logically. Let us continue to stick by what we have said. Let us show that, unlike the governments, we are able to agree on one place of work, and let this be the one that satisfies all the objective criteria of assessment.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Blumenfeld. — (DE) Mr President, if there is one very important basic issue on which a large majority of the European Parliament has agreed since its direct election, it has been the issue of the place of work and the fact that we want to and must stop travelling Europe like a wandering journeyman. This is an extremely important item on the agenda. Parliament must take a decision today, because — as the last speaker clearly said — the governments have for decades avoided taking a decision, a decision taken by a majority, and this for reasons that Parliament is no longer prepared to accept.

I will not claim that all Members of this House — and I include myself in this — have always been prompted by the most noble of motives in their deliberations and the opinions they have expressed on the question of the seat. The question of Parliament's seat is a difficult one. It has aroused emotions, and it is a matter of prestige, particularly since the governments of the Member States entered the fray. But we must take a decision which is not only logical but above all serves to improve the ability of individual Members of this Parliament to do their work and the effectiveness of their activities.

Parliament is not making it easy for itself to take this decision. As one of those who have spent 18 months

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with Mr Zagari and the other members of the Political Affairs Committee wrestling over a wide-ranging solution acceptable to the majority, I know what he meant when he said that the report he was submitting was the best possible he as rapporteur had been able to retain, even if it did not wholly reflect what he himself had wanted. I can vouch for this, and I should like to say to Mr Zagari that we are grateful to him for the work he has done and that we know his work in the Political Affairs Committee these last 18 months has not been in vain.

Mr President, I join with Mr Seefeld — and probably most Members of this House — in criticizing the governments for their inactivity and their aversion to taking a decision or rather the last decision they took in Maastricht, which was not exactly very fair on Parliament or, to put it another way, was in fact a kind of box on the ears, in insisting on the maintenance of the *status quo*, even if they had Treaty provisions to support their case, and the governments must realize that a directly elected Parliament cannot put up with this treatment and that, when we took office in 1979, we were determined to change this situation.

Even today Parliament is divided. At least two and sometimes as many as four different views are represented in the groups. On behalf of the vast majority of my Group, I should like to say the following:

Firstly, we endorse the report of the Political Affairs Committee, the Zagari Report, subject to the incorporation of Amendment No 35, which Mr von Bismarck and I have tabled on behalf of the European People's Party. We feel that there can only be one seat, which is what we want too, if agreement is reached with the Council of Ministers. There is no point in Parliament stating demonstratively, a seat is herewith named. That can only mean confrontation with the Council. We therefore feel that Mr Zagari's proposal that the conciliation procedure should be initiated must be made clearer and stronger through the incorporation of the wording suggested in our Amendment No 35, which states that our patience is at an end and that a decision on a single seat must be taken very shortly, within a year, in our view.

Why within a year? I will tell you, and I am now looking at the chairman of the Committee on Budgets, Mr Lange. What member of the Committee on Budgets will contradict me when I claim that major problems will arise when it comes to deciding how the whole thing is to be financed, if, for example, we decide to sit in Brussels tomorrow and to build a suitable Chamber there? Who, ladies and gentlemen, will contradict me here when I say that there will be considerable problems and that we as a Parliament are not in a position to take this on by ourselves? We may be able to express wishes but, to put it bluntly, we cannot dispose of the money on our own, at least not in a situation of confrontation with the Council. I am not happy about this, but that is the way it is, and that

is why — on this we are all agreed — we want *one* seat. That is what the majority of this House will decide.

We also want conciliation with the Council. I believe that is the only proper, pragmatic and also political way of handling this matter. Great declarations will, in the end, simply lower the standing of this Parliament in the eyes of the public. What is decisive, in my view, is that the individual Members of the European Parliament should be entitled in future to have one place of work, one address at which they can at last settle down to work with their staff, because they too are tired of travelling round like a travelling circus. We cannot be taking ourselves seriously if we simply leave things as they are.

A large majority of the Group of the European People's Party is therefore in favour of a single seat. But we feel that this can only be achieved in conciliation with the Council of Ministers. That is why we shall be voting this evening for the Zagari Report and the amendment we have tabled. We hope that the final vote will result in a major declaration of the will of the majority of this House.

(Applause)

President. — I call the European Democratic Group.

Mr Fergusson. — Mr President, I cannot think of a more important procedural issue for the future of this Parliament, and hence for the future development of the Community, than the one before us now. We have committed ourselves in the eyes of Europe to improving the working conditions of ourselves and our staff, and this means neither more nor less than that we must abandon our gypsy behaviour and settle at last in a single place. Our problem and the problems of our secretariat arise not because we work in two or three or a dozen places — the number is irrelevant — but because we work and meet in more than one. There is much more than our personal convenience or the absurd expense at stake. The inefficiency of this peripatetic Parliament is a scandal in itself. Without a permanent office, address, residence or telephone number outside our home countries, not one of us can conceivably perform adequately the task for which we were elected and for which we are paid. Worse, while our committees and plenary part-sessions are held in cities hundreds of kilometres apart, it remains impossible to hold them, as all other parliaments can, on the same day or even the same week, which makes it impossible for us to take on more work and duties as the Community's political integration develops. So we are condemned not only to be extravagant and inefficient but stagnant as well.

Now, apart from the small number here who are opposed to the Community's development or who

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resent every effort by this Parliament to make itself effective, I doubt if there are any Members here who dispute the desirability of a single working place, but there are obviously faint hearts. I submit that it is only the faint-hearted who still propose that the Parliament should hang back, settling for a compromise which is neither one thing nor the other. The policies of those who wish to preserve the *status quo* because it restrains our development I reject as base. We must be clear, though, what the *status quo* is. In theory we still have three working places and therefore three choices. In practice we have already this year exercised our right not to meet in Luxembourg, and the right to take that decision was not disputed. We knew, I think, how much it disappointed Luxembourg. However, if we are to improve our present working conditions, as we are pledged to do, we have to resolve the remaining duality. It will escape no one's attention that a further non-decision between Brussels and Strasbourg will give our worried staff no guidance whatever about where they must settle or when. They deserve better of us than that.

There are those who opt for one particular city, Strasbourg, because of its symbolic importance. This we all understand and value, and allowance has to be made for that view. But, Mr President, we are not a symbolic Parliament. We are a working Parliament and cannot allow historic symbolism to take precedence over our needs.

To those who feel it is imperative to postpone a decision on which single place, either because it might be a divisive operation or could embarrass one or other member government or because it may lead to friction with the Council of Ministers, I can only say this: there will never be a good time for taking this decision, but the earlier we take it the better. Simply to move the secretariat, as some suggest — but to which place and why — is merely another act of hesitation, tinkering with the *status quo*. If you wish to endorse the *status quo*, then in logic you will have to vote out half the premises in the preamble to the resolution before us, all of which point inexorably towards a definitive decision now.

Mr President, none of us and none of these resolutions attributes to Parliament the right and duty of the Member States to determine the seat of our institutions. Let the Member States exercise that right and duty if they wish and if they can. Let consultation break out and we will support them. But it is for ourselves to determine our own working conditions. So let us be about our business. Our decision depends on what is best for the Parliament and the Community. It must not be a matter for national pride or national dismay or sulking. The choice before us, apart from the craven road of endorsing the non-decision of Maastricht, is between opting directly for a single working place and holding a ballot within Parliament to decide which of the two or three candidate cities it will be.

Those who have studied the amendments and who, like myself and my Group, value the symbolism of Strasbourg will note that occasional but regular sessions in this lovely and most hospitable town are not ruled out. Moving here the amendments in my own name and that of my Group, I would point out that my own Group prefers to make a direct choice, but if that is not the general will, then we are content to let the ballot decide. There are a number of combinations of ways to proceed, and the House can select the best. But let this be understood. Our foremost requirement is a single working place, whichever it may be. We do not want this exercise to end with a divided unhappy Parliament. It is certain that many of us will be disappointed and even angry, whatever the result. So it is essential that, whether Strasbourg or Brussels or Luxembourg be chosen, we all throw our whole weight and support behind the majority choice and make it work. That is what we shall do, asking no less from everybody else.

Mr President, we must make no mistake. The people of the Community who elected us are watching us. Almost the commonest question we are all asked is: 'When are you going to decide to stay in one place where we can find you?' That question is a challenge. A travelling parliament is a troop of acrobats. Its enemies and detractors already say we have no powers. Can we allow them equally to think that we have no guts either, no courage? When we have chosen our single meeting place, shall we have a constitutional battle on our hands as well and if so, shall we draw back from it?

In closing I can only make this comment. If we are afraid to insist on meeting this question head on and to do battle if we must, no one will believe in us any more and we shall deserve the scorn and ridicule that will be heaped upon us. But if we make our stand today, the whole electorate of Europe will be behind us, Germans and Frenchmen and Luxembourgers and Belgians alike, and we shall win.

(Applause)

IN THE CHAIR: MR GONELLA

Vice-President

President. — I call the Communist and Allies Group.

Mrs De March. — (FR) Mr President, before I even begin to talk about the Zagari report I should like right away to remove an ambiguity. As far as the French Communists and Allies are concerned there is no question of having a debate on the seat of the

De March

European Parliament. In fact, under the terms of the Treaty, the decision on the seat of our Parliament is and must remain the sole prerogative of the governments of the Member States. And as for us, now that we are partners in France's governing majority, we shall be pressing our government to act in accordance with our commitments in this House and in accordance with our country's interests.

Yet, the European Parliament is perfectly entitled to concern itself with its place of work and it is strictly this problem that we want to concentrate on in this debate. There is, indeed, a direct connection between our working conditions and the place where we and the numerous officials who assist us do our work. From this point of view, and without prejudice to the options still open to us, before deciding on Strasbourg as the place for plenary sessions we really need to consider the realities. Several hundred of our officials live and work in Luxembourg, many have their families there, and we do not think therefore that any solution can be considered valid unless it takes this problem into account.

We are often told that our Parliament's credibility would suffer if we were to have more than one working place. Well, might I suggest that if Parliament at times fails to rise to its own ambitions, the reasons lie in the causes it chooses to embrace? A parliament that tries to do everything ultimately does nothing, and above all neglects the very matters with which it should concern itself. I have in mind here the major problems raised by the French at the last European Council: unemployment and the economic outlook for the ten countries of the Community.

So it is not the proliferation of working places that is undermining the credibility of our institution. The proposal to transfer all our activities to Brussels is not entirely innocent either. The motive behind this proposal is not so much to improve the family life of European officials as to bring together all the various centres of decision of the Community, which means in fact removing them still further from those whom these decisions affect, a step on the road towards supranationality. How can we be expected to accept that when the majority of French people have expressed the desire, which we share fully, to be more closely involved in the decisions taken?

That is why we are so committed to the idea of Strasbourg as the place for all sessions. Our explanation of vote this afternoon will moreover follow the same line of reasoning. We have always said that all such decisions should be taken in consultation with the staff of Parliament, making the appropriate adjustments in working hours and conditions that the Staff Committee requests.

It is with this in mind, Mr President, and subject to this proviso, that we shall be voting in support of para-

graph 4 of the resolution before us, which does not imply too many changes and allows plenary sessions to continue to be held in Strasbourg.

Similarly, we shall oppose any amendment which, under the pretext of being a widely-favoured choice, seeks to transfer our services to Brussels and thereby exceeds the powers of this Parliament.

President. — I call the Liberal and Democratic Group.

Mr Haagerup. — (DA) Mr President, if this is a matter which we as Members of the European Parliament are constantly being asked about by our electorate, the reason is that we are for ever squandering money on moving our staff and our documents and other items from one place to another.

We all know that it is our governments' duty and responsibility to take a decision on the working place of the European institutions, and we also know that, of all the Community institutions, it is Parliament which suffers most from having more than one working place. This is an arrangement that cannot go on for ever. We appealed many months ago to the governments to fulfil their obligation under the Treaty and we fixed a deadline for that decision — 15 June.

And what decision have our governments taken? They have decided that we should continue with the same arrangement as before. The governments said this at their meeting in Maastricht and it has been confirmed at the recent meeting of the European Council in Luxembourg, even though this last confirmation was, for some unknown reason, not made known to the public or even just to Parliament. Of course, this is not satisfactory. When Parliament makes its opinion known at the end of this debate, there should be no doubt, whatever the outcome of the vote, that the vast majority, practically the whole, of Parliament, is in favour of having a single seat.

This is not what Parliament is divided about. The disagreement is about how, and how fast, we can achieve a single seat for Parliament and, in the Liberal and Democratic Group's view, the way of reaching that goal is as follows: we do not dispute the fact that it is the ten Member States' governments which, pursuant to Article 216 of the Treaty, have the right to decide the seat of the European institutions. We regard it as self-evident, all the same, that Parliament has a right to express its opinion on this matter and above all on its own seat. In view of the attitude adopted, at least for the time being, by our governments, our position on the Zagari Report, as adopted in the Political Affairs Committee, is that Parliament should hold its plenary sittings in Strasbourg and generally hold its committee and group meetings in Brussels until — I repeat, until — a single seat for the European Parliament has been fixed.

Haagerup

This attitude on the part of my Group is not to be seen as support for the *status quo*, but recognition that we do not want to get involved in an open and fruitless confrontation with our governments who do have the actual authority, but on the contrary we wish to hold the governments to their responsibility. Therefore, we are against a secret ballot and against Parliament taking a decision itself — which in any case it would never be able to implement. However, if the governments go on insisting on the *status quo*, then we must insist on a whole series of measures to improve our working conditions and reduce the excessive expenditure which the present arrangement entails. The fact that in practice this means ruling out Luxembourg as the seat of Parliament — though not of other institutions — is a practical consequence which Parliament had already agreed on earlier. But Luxembourg's dissatisfaction is quite understandable, because it, too, is the result of our governments' reluctance to take a decision on a seat for the European institutions, as the Treaty requires them to do.

This desire to see a number of practical improvements introduced lies behind our Amendment No 5, which recommends the use of the most up-to-date means of telecommunication, both for personal contacts and the transmission of documents, and the use of the most advanced forms of technology to improve cooperation between the institutions and improve road, rail and air links between the main centres of Community activity. This reflects a realistic recognition of what is legally feasible and a clearly expressed intention on Parliament's part to make the best of a temporary situation which has been created, not by this Parliament, but by our governments.

President. — I call the Group of European Progressive Democrats.

Mrs Weiss. — (FR) Mr President, we have heard all kinds of historical, legal, economic and political arguments in support of having Strasbourg as the permanent seat of the European Parliament and even as the seat of its administration.

I for my part do not intend to waste my time on any such arguments, except to remind our British colleagues that Winston Churchill himself, with his brilliantly intuitive insight, saw Strasbourg as the parliamentary capital of Europe. Yes, everything that could have been said has been said, or so it seems, about this fundamental problem. In truth, though, nothing has been said, nothing that really matters at any rate. As a senior Member of this Parliament, as an Alsatian, a Frenchwoman and a European, believe me when I say that by taking this Parliament away from Strasbourg you would be breaking the heart of the French people. The welcome that this city has always kept for you and by which you have been so moved has not been inspired merely by self-interest. It is born

of genuine feeling, it is part of a cultural heritage. It embodies a humanism, a spirit which it behoves you all to cherish. The future of Europe, which is under such serious threat at present, depends entirely on how highly you value these qualities.

Finding how happy you have been in Strasbourg, other cities have been quick to imitate. But imitations always somehow lack soul, and how contemptible have been the arguments of Strasbourg's detractors! Not only do they refer to texts that time has superseded, but they plaintively compare its airport with the major international airports. One day Entzheim will be an international airport and until then each one of us can sacrifice the few minutes lost on additional flights in the interests of that vital spirit, mother of all the renaissances, that our city symbolizes. As for the officials, whose daily routine might suffer by their being made to move to another location, they know full well that Strasbourg will extend to them the same marvellous hospitality that you have already experienced.

And please do not go on moaning about being too close to the Council of Europe. The stronger our ties, the more we will grow in stature. To reject Strasbourg's wonderful welcome would be morally wrong and not something that you would wish to take upon yourselves. Indeed, I call upon you to pay tribute here and now to its distinguished mayor, our colleague Pierre Pflimlin. The least you can do is to say thank you to him.

(Applause)

That is not all, far from it. Who can rival Strasbourg when it comes to turning to advantage that critical moment in our civilization when others with less resilience would have given up all hope? Strasbourg has always stood for liberty. When the printing-press was still in its infancy, Strasbourg adopted this innovation which broke the power of the clerics. Thirsty for progress, it next plunged itself into the Reformation and emerged from it ecumenical. The cathedral has invited you to attend services there, and what splendid ceremonies they are, and every day you pass by the Church of St-Pierre-le-Jeune without perhaps realizing that its nave is Protestant and that its choir was Catholic before the devolution of Church property to the State. As a unique symbol of progress and peace Strasbourg held a fascination for Goethe. And above all Strasbourg is where Rouget de l'Isle composed the *Marseillaise*, whose strains have been heard west beyond the Potomac and east beyond the Urals.

I repeat that if you take Parliament away from this fine building in Strasbourg the French people will be heart-broken. In 1871 they did not leave the rich plains of Alsace, satchels over their shoulders, fleeing from a brutal dictatorship, to come to this. In 1918 I was in the Place Kléber, on the rostrum from which Poincaré and Clémenceau, with tears rolling down

Weiss

their cheeks, watched the parade to celebrate the victory of right, without which we should not be here, all together, vested with our democratic mandates and masters of our own opinions. Since that time, invited at the instigation of the Foundation of which I am chairman, Chancellor Helmut Schmidt has spoken to the people of Europe from your rostrum. Alsace, which not since Bismarck had ever received a German chancellor, welcomed him with touching magnanimity, marking the beginning of a fruitful friendship which should now lead to recognition of equality of status before the United Nations Organization. It is this Franco-German friendship which will be the making of Europe, unless you want to see its unmaking elsewhere than here. More recently, I have had the signal honour of being received in private audience by the Pope. The spirit of Alsace and the strength that the Europe of the future may be able to draw from it were at the centre of our talks. These were for us, for me, unforgettable moments.

Mr President, may we always continue to meet in this Chamber, for the welfare and freedom of all our countries and of all the countries of Europe. Do not force the Strasbourg monument, which stands on the Place de la Concorde in Paris, to wear mourning again on account of having been abandoned.

(Applause)

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Pannella. — (FR) Mr President, I believe that this Parliament would be no more than adhering to the tradition that it has been following for at least these past two years in once again breaking the law. It was in virtual violation of existing rules that the offices of this Assembly were elected in September 1979. We, or rather you, have made changes in the Rules of Procedure that seriously impair the right of action not just of political minorities but also of Members as such. You have formally made it impossible for any national minority represented here to request urgent procedure or debates, even when they concern the very existence of our people, and not just the existence of any one of our Member States.

I should not be at all surprised if Parliament, following this tradition it has now established, were to continue along the same road and commit another injustice this evening. I should almost be surprised if it turned out otherwise. It is an injustice to flout the law that accords a preferential status in some measure to Strasbourg but above all to Luxembourg. And it is particularly shameful that this should be done in the name of the so-called efficiency of having a single seat. To this end a supposed case is for the first time being made out in favour of Brussels. In point of fact no text has

ever sought to impose this city on our Parliament. Brussels has never put forward any legal grounds to substantiate its claim or claims, if indeed it has made such claims. But I wonder if this claim really originated in Brussels or if perhaps others are behind it.

Furthermore, having spoken with a great many Members, I am bound to say, Mr President, that I was somewhat astonished to find that nearly all of them were apt to confuse the question of the seat of the Community with the problem of Parliament's seat. Now, 90% of the Members here could not care less about the problem of the seat of the Community. The Commission has its seat, the other institutions have theirs. We are not trying to protect a mere image of Europe and the European institutions.

Under these circumstances, people who talk here about the European 'district' once again give the impression of talking about nothing in particular. Oh, what day-dreamers these rather unruly minority members and Italian radicals are who come to talk about no-one knows quite what in front of such a clear-sighted Assembly! Quite simply, I no longer have time for this, Mr President. Maybe soon I shall no longer have the right to do so either since, having taken away from us the speaking time to which we are entitled, you will also be depriving us of the seat to which we are entitled, thereby obliging us to trespass not only on this House's time but also on its place.

Having said that, I shall be voting against this report because it is really a nonsense to suggest that one should vote for fixing a single working place when at the same time, the situation being what it is, you are for the first time confirming in law the existence of three separate working places.

President. — I call the Non-attached Members.

Mr De Goede. — (NL) Mr President, on 23 January 1980 Mr Zagari was appointed rapporteur on the question of the seat of Parliament. Now, 18 months later, we are discussing his report. Have these 18 months been well spent? I think not: the proposal before us, adopted by 15 votes to 13 with 2 abstentions, is, in my view, a poor one. Of course, there must be deliberations. After 30 years a decision must at last be taken. The governments of the Member States are still in default. The Maastricht decision, maintaining the *status quo*, was regrettable. There must be an end to the waste of money, the inefficiency of our activities due to the fact that Parliament has more than one place of work, and the poor impression the citizens of Europe have of us as a result.

But what does the Zagari Report now propose, 18 months later? It is almost incredible: firstly, that, pending a decision on a seat, plenary sessions should take place in Strasbourg and meetings of the commit-

De Goede

tees and political groups in Brussels, while the Secretariat should in fact be split — that is the only way I can construe it — into one part for Strasbourg and another for Brussels. This is really incredible.

On the one hand, we criticize the Council for failing to take a decision and continue to stress the impossibility of the present situation — and rightly so — while, on the other hand, we do not provide ourselves with any kind of basis for a structural and responsible solution. We are in fact ourselves aggravating the situation. Our objections to the Zagari proposal are, firstly, that the present division of places of work between Strasbourg and Brussels is for the first time being confirmed by Parliament rather than challenged; secondly, the Secretariat is being split, as I have said, into one part in Strasbourg and another in Brussels, thus increasing rather than reducing the inefficiency; thirdly, not a word is said about compensation for Luxembourg; fourthly, there has been no consultation with the staff; and fifthly, the threat rightly made last November to the effect that, if the Council did not take a decision before 15 June 1981, we would ourselves take action, was just hot air. The resolution does no more than call for fresh consultations and does not give one single useful and courageous indication of a final solution.

It will be obvious that in its present form we find the Zagari Report unacceptable. Our view, which I explained last November, is that the single seat our Parliament needs should be where the Commission has its seat. Nowhere in the world, with the exception of South Africa, do the parliament and executive meet in different places. We are, of course, well aware of the problems that will then arise, but they can be solved. After all, no solution is found without pain. And pain is unfortunately often a feature of surgery. The danger now is that the Zagari Report will be seen as a further sign of the impotence of Parliament itself. An ineffective pain-killer.

We shall support all the amendments tabled that reflect our views, these being that we want one seat and one seat in the place where the Commission has its seat; we want reasonable compensation for Luxembourg; we do not want Strasbourg's symbolic position overlooked, and occasional part-sessions can take place in Strasbourg in the future; and we want there to be due consultation with the staff on the implications of our choice.

Mr President, as we set out on our third year, we cannot make do with a palliative, with a formula that improves nothing and simply creates new problems. Nor can we make do with Mr Blumenfeld's proposal that we should again do nothing for a year, that we should wait and see and have consultations. We must give the Council a sign today.

On the question of its seat, our Parliament has missed the boat on a number of occasions, the last time being

last November, when absolutely no indication was given of what Parliament itself wanted. Today we are again in danger of missing the boat, and we shall do so if we do not manage to subordinate national and individual interests to Community interests, which should take precedence. Let us have the courage today to act as a European Parliament, to do what we have been called upon to do, namely to take a decision on behalf of the citizens of Europe, one that is in their interests, and to advocate a European solution.

President. — I call Mr Schieler.

Mr Schieler. — *(DE)* Mr President, ladies and gentlemen, I should like to say a few words in defence of the Zagari Report now before Parliament for its decision. I do so because the present version can be attributed to a request which I myself made in the Political Affairs Committee, where it was approved by a majority.

In its present form the Zagari Report represents a compromise on the question of Parliament's seat. It is based on the premise that, although the vast majority of this House considers a single seat desirable in the long term, politically the only realistic move at present is to reduce the places of work from three to two and to call on the Council to initiate the procedure for conciliation with Parliament on the question of a single seat.

It can only be assumed from the decisions taken at the summit meeting in Maastricht and — if I am correctly informed — at the recent summit in Luxembourg that a decision by Parliament to designate a single seat itself would cause serious conflict in the relationship between Parliament and the Council. Article 216 of the EEC Treaty requires the seat of the European institutions to be determined by the Council. That is a legal situation that nobody can get round, not even those who use the political argument that a parliament must be able to decide on its work facilities itself.

I therefore maintain that the Zagari Report in the form in which it has been presented to Parliament for its decision reflects a position of reason and political reality. It therefore takes a step in the right direction in calling for a reduction in the number of places of work from three to two. The adoption of the Zagari Report will also mean that Parliament's administration must take account of the circumstances at these two places of work.

Some Members of this House feel — and this view must undoubtedly be taken seriously — that a more radical step should be taken at this stage, that the places of work should be limited to one. They have, of course, every right to stress the objective factors in Brussels' favour and above all the fact that the Commission at present has its seat there and that the

Schieler

media also lose their correspondents in the Belgian capital for the most part.

What they have no right to do, because it is not completely true, is to claim that considerable savings could be achieved if Brussels was designated the only place of work, because in Strasbourg we already have a completely operational parliament building, whereas a substantial sum of the European taxpayers' money would first have to be spent in Brussels.

I will not deny that I advocate Strasbourg as the future seat of Parliament. I consider Franco-German reconciliation to be one of the chief aspects of European unification. For that reason Strasbourg has a historical and political significance as a place of work for the European Parliament that should not be underestimated. In my opinion, unnecessary conflict or a heavy burden on European unification would result if the city of Strasbourg were now denied this significance with a stroke of the pen, as it were.

I feel that the question of the seat must be allowed to mature a while longer. The decision-making process has not yet been completed. There are in any case enough issues in the European Community awaiting a decision and in themselves difficult enough to solve. We do not need to add further difficulties.

The compromise the Zagari Report proposes is a reasonable solution. It takes account of the political realities, and it also rebuts the criticism that, in taking its decision, the European Parliament has ignored the immense cost of a new building in Brussels. The Zagari Report is therefore worthy of the approval of the House, and the amendments should be rejected.

President. — I call the Committee on External Economic Relations.

Sir Frederick Catherwood, chairman of the Committee.

— Mr President, I speak as a committee chairman responsible to the Parliament for producing reports to a strict timetable of the Community's external trade negotiations and to do this I and other chairmen need at least a quorum of our committees and at best the full wisdom, talent and experience of the committee and we need the highest level and the best advice from Commission officials. Now, even at Brussels, with its international airport, and its hourly flights to many European capitals, that is not always easy, but if the committees move to Strasbourg permanently, it would in my view be impossible to guarantee even a quorum for committees.

In Brussels, a two half-days' committee meeting takes most Members one and a half days from home to committee and back, and no Member has to spend more than one night away from home. In Strasbourg, it would take at least two days, and for the Italians,

the Greeks, the Danes, the Scots and the Irish, it would take two and a half days and twice the number of nights away from home.

Now whether we like it or not, we are, in fact, ruled by airline timetables and they are ruled by economics which the Parliament alone cannot possibly support, however much Mayor Plimlin tries to help. We cannot have the number and the frequency of flights we need for reliable committee quorums unless we are near a truly international airport whose flight frequencies are financed by a substantial flow of other passengers and we will certainly not have the level of Commission advice we need if every attendance at a parliamentary committee meeting takes a senior official away from Brussels for a full day.

And therefore I conclude, as a committee chairman actually trying to operate committees, that it is simply not possible to have Strasbourg as the single seat for everything including the committee meetings. It would not work; we would not have a quorum at committee meetings and we would not be able to conduct the business of the Parliament. I do not think that this is a point that has really received enough attention but we have proposals for Strasbourg as the single seat including the committee meetings. I am bound to say it simply would not work. To have Strasbourg, this charming and this seductive city, as a single working place therefore, would destroy the practical work of the Parliament. Strasbourg is, and always will be, a symbol but the Parliament is more than a symbol: it is the practical expression of the political will of the nations of Europe and it must not become a monument on the banks of the River Ill. It must remain a living force.

Mr Estgen. — (FR) Mr President, we know that at this moment the eyes of Europe are upon us, and with the spotlight of publicity trained on us there is a great temptation to show off, to play for high stakes, to take unnecessary risks. Let us try not to let ourselves be dazzled by a false light. Let us keep a calm spirit and a clear head and let our judgment be sound.

It is as well for us to understand that the real problem, what is really at issue here today, is not where our working places are to be but this Parliament's true role in a Europe that is in the process of developing — or to be precise, at this moment is not developing.

We all know, if we are honest about it, that it is not up to us to make the decision about the seat of the European Parliament. This right — as my friends and I tried to stress in tabling the procedural motion — is the exclusive prerogative of the governments. The fact that the Member States have not exercised this prerogative is unfortunate but it is due neither to any desire to shirk responsibility nor to any negligence on the part of our governments; it is rather a reflection of the difficult political decision they have to make.

Estgen

There is disagreement among the Ten, and is that so astonishing? There is the same disagreement among us here, and if it were left to us today to fix the seat of our institution we would be sharply divided and the majority that carried the day would be extremely narrow and unconvincing, an unsatisfactory result on more than one account. The fact is that you cannot just sweep aside 30 years of Community history, you cannot suddenly dispense with one of Parliament's three working places and ignore established legal and moral rights.

Would not the Belgian Members be up in arms if anything was taken away from Brussels? Would the French accept without a word everything being moved to Brussels? So let us spare ourselves the hypocrisy. Has this House not seen — and quite rightly too — Members passionately defending the economic interests of some small region or some minority in their country? Not a parliamentary session goes by without our giving attention to the situation of a people, a minority or an ethnic group in any of the five continents. That is very proper and very noble. Is it that the only populations whose interests seem to us to be totally unworthy of our attention are the people of Luxembourg and, one day, the people of Alsace whose hospitality we are enjoying at this very moment.

(Applause)

Do not be surprised therefore to hear us putting the political and economic case, speaking out for the vital interests of the Grand Duchy, and also pleading the human and social case of our staff, whose place of work and hence place of residence has been officially fixed in Luxembourg, and fixed moreover by the democratically expressed will of all the national parliaments.

I know there is talk of compensation for Luxembourg, but what compensation? This Parliament, which does not even have the power to fix its own seat, does not have the power to award compensation either. So, let us stop trying to fool ourselves. Those who say that Parliament's powers should be widened and that it would make sense for Parliament to be able to fix its own seat do so with some justice. Indeed I readily admit to being of the same mind and am prepared to do all I can in pursuit of this end, but without ever going against the democratic rules of a Community founded on the law. The *sine qua non* for becoming a member of the European Community is respect for democracy and we despise and condemn any illegal usurpation of power.

Do not others then have the right to expect us first and foremost to respect the legality of our Treaties? A short while ago we heard the statement of the President of the Commission. Faced with the challenges he threw down to us, faced with the appeal for solidarity in order to help the Community to go forward, I wonder if we should not be feeling slightly ridiculous

launching into a debate which revolves, whether we like to admit it or not, around our personal convenience.

While we are discussing seats, meeting places, facilities and comforts, the Community is moving towards the day of judgment when a decision will have to be made on whether or not we are to progress towards European union, something that is very much up in the air at the moment. Is this the time to start an institutional argument, to provoke adverse reactions from the Council which, more than ever before, is ready to confer with us on important matters?

What will the young people of Europe have to say, anxious as they are about their future in the face of unemployment, in the face of crisis, in the face of international insecurity, when they see us here locked in futile argument?

Today this Parliament, whose powers we are striving to extend and whose dignity we are at pains to demonstrate, is running the risk of losing after all these long years any chance of really being taken seriously, not only by public opinion but also by our governments and our national parliaments which still have their say in a Community of free and sovereign States.

My friends and I — and I hope many others — refuse therefore to become involved today in an untimely adventure, in an attitude that would be neither legal nor correct.

If the law was to be of only secondary importance to this Parliament, I for one would wish to have nothing further to do with it. I do not wish to be associated with a capricious majority which today sacrifices the guarantees given to Luxembourg and tomorrow, or maybe still today, will also drop Strasbourg like a hot potato.

What will the people of other continents say? What will people in the East say? What will our Greek colleagues and their electors in autumn say if we, who are so quick to lecture others, no longer have any respect for established rights and are prepared to violate the rights of the weakest?

In politics it is almost axiomatic that you have to see as clearly as possible the repercussions, the consequences that your actions today will have tomorrow. There is no reason whatever why this Parliament should not work in Luxembourg. I believe improvements in our working conditions are essential, but we do have an adequate infrastructure. There is a Chamber, the only one which the European Parliament could regard as its own if it wanted to, because in Brussels there is none and here in Strasbourg we are the guests of the Council of Europe.

It is easy and tempting for us today to appear strong and resolute. We shall be stars, heroes for one day.

Estgen

Tomorrow, when everyone realizes that our bold decisions mean nothing, that they will indeed be condemned by our own Court of Justice, the press, which today is perhaps praising our courage, will laugh at our impotence.

A proper solution to the problem of the seat and the working places can only be found through frank and open discussion between the parties concerned — with due consideration being given to established rights, because that is the rule in our Community — and also in the determination to resolve the fundamental problem, which is the problem of Parliament's role and function in the Community.

Who could ever accept any expansion of this role or extension of the powers deriving therefrom if they suspected that Parliament, in exceeding the law, was flagrantly violating justice or refusing to be objective? Respect for the law and objective judgment, that is all I ask of you when you assume your responsibilities a few minutes from now.

(Applause)

President. — I call Mr Galluzzi.

Mr Galluzzi. — *(IT)* Mr President, on behalf of the Italian Communist and Allies Group, I would like to invite my colleagues from all sectors of this Parliament to consider the political risks that a division in the vote concerning our working place would occasion, not only concerning the rapid and effective solution of the problem, but also concerning the credibility of our Assembly as the primary political protagonist of Community life and policy.

I believe we must realize that the choice of our meeting place cannot be considered independently from a general decision regarding the seat of the Community institutions. The former must influence the latter, for we cannot, in six months or a year, adopt in consultation with the Council a position other than the one we reach today, and propose an institutional seat different from the one we have chosen for ourselves. Precisely for this reason, precisely because today's decision represents the choice we will support during the consultation procedure, it must have the backing of all of Parliament if we want it to carry any weight.

As you know, ladies and gentlemen, we are in favour of a single institutional seat, not only for obvious reasons pertaining to the rationalization of our work, not only to avoid intolerable waste, but also for political reasons, because we do not want a vestigial parliament but a parliament fully integrated in the Community decision-making process, able to participate, together with the other institutions, in the progress of Community life and politics. But the

concrete choice of this Assembly — the way to accomplish it — cannot be imposed by majorities; it must be the fruit of a constructive effort on the part of all Parliament's political groups, so that Parliament may present a united front in the negotiations with the Council.

Unfortunately, because of the amendments that were presented, the prospects of today's vote on Mr Zagari's report are not hopeful in this regard: we are profoundly divided, with opposition crystallizing around different and contradictory points of view. This lack of unity threatens to deprive our decision of weight and significance, making it appear insubstantial, and supplying yet another proof that our Assembly finds it extremely difficult to intervene with authority and decision in Community life. We are convinced that in this time of internal and international crisis, complicated by nationalistic and egotistical impulses which are increasing in scope and vigour and making it ever more difficult to formulate and pursue a Community policy adequate to the times, whether in the areas of political cooperation, economic policy, or external relations, our Parliament can and should represent an essential point of reference for the entire Community. Such a role cannot be attained through an abstract claim to decisional powers or through unilateral pressure tactics, but rather through Parliament's ability to contribute to the solution of problems — and particularly those concerning its own function and activities — with all of its potential strength.

For these reasons, ladies and gentlemen, we believe it is necessary to postpone the vote on the Zagari resolution, and we call upon you to do so, urging the group leaders to make the necessary contacts to seek a concrete solution which can be accepted by the entire Assembly. If this is not done, if Parliament insists on solving the problem by majorities or amendments which cancel each other out, we will not participate in the vote on the amendments and we will approve the Zagari resolution as we did in committee, while persisting in our efforts to find a solution to bring to the negotiations with the Council.

President. — I call Mr Bournias.

Mr Bournias. — Madam President, colleagues, I read with interest the report by the honourable rapporteur, Mr Zagari, on the question of the seat of the European Parliament and I have also listened attentively to the explanation which he has given us today. I confess that I am amazed that it has not been possible, after so many years, to solve this matter. In my opinion, it is a disgrace that the European Parliament does not have the power to solve the question of its own seat.

This is a fundamental issue, especially since the direct election of Members by universal suffrage. Between

Bournias

12 January 1979 and 20 June 1980 seven motions for resolutions were referred to the Political Affairs Committee tabled by distinguished colleagues of all political persuasions. The rapporteur was appointed on 23 January 1980 and the Committee dealt with the issue at numerous meetings between November 1980 and April 1981. The result was the draft compromise solution under discussion which, as we know, was adopted by a small majority of 15 to 13 with 2 abstentions at the meeting in The Hague on 24 June 1981.

I do not in any way underestimate the difficulties of this issue, which is causing rivalry between two capitals and the city of Strasbourg. However, this uncertain situation which obliges the European Parliament alone amongst the Community's organs to work in three places — the Members in Strasbourg, the secretariat in Luxembourg and the committees in Brussels — cannot be allowed to continue. It is a waste of time and money and disrupts the work of the various services.

From what I have heard so far from the previous speakers, I am afraid that the outcome of today's debate will not be fruitful, will be contrary to logic, will damage Parliament's prestige and will conflict with our duty not to forget that both Jean Monnet, who was rightly called the Father of Europe, and Robert Schuman were Frenchmen. We should honour their memory by deciding in favour of Strasbourg, the historic city at 'the crossroads of Europe' which has energetically served the European ideal and defended human rights for more than 30 years, as Mrs Weiss so movingly declared and whom I should like to congratulate on an extremely humane and touching speech.

As the rapporteur observed earlier today the governments of the Member States must eventually take a decision on the matter. Otherwise they will bear the responsibility for reducing the authority of the European Parliament in a way that completely nullifies the importance assumed by the Assembly after the direct elections by universal suffrage.

We need, Colleagues, the sword of Damocles to cut once and for all the Gordian knot of this delicate issue.

President. — We shall now adjourn and resume at 3 p.m.

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

IN THE CHAIR: MR FRIEDRICH

Vice-President

President. — I call Mr Abens.

Mr Abens. — *(DE)* Mr President, ladies and gentlemen, I must admit that I have been following this debate with a feeling of bitterness and sadness. I had expected greater democratic understanding of the first directly elected Parliament of the European Community. In my view, democracy means not only the power of the majority, but also the protection of the minority, not only the right of the stronger, but also the defence of the interests of the weaker. The weaker party in this case is undoubtedly Luxembourg. My country has only six representatives in the European Parliament, and six representatives out of 434 do not carry any weight.

Luxembourg cannot match the other Member States either politically or economically. None the less, it has played a not insignificant role in the development of the European institutions. It took in the first European institutions, has often acted as an honest broker between larger States and its Europe-mindedness equals that of any Member State. The exclusion of Luxembourg as a venue for the European Parliament's meetings and sittings as proposed in this report will therefore be received with great disappointment, even bitterness in my country.

We Luxembourgers are moved to call for the choice of our country as the seat of Parliament not only by economic factors, but also and above all by historical, cultural and political considerations. Even though there may be other European authorities in Luxembourg apart from the Secretariat of the European Parliament — the oldest and largest with 1 600 officials — Parliament is in the eyes of the Luxembourgers the symbol of the Europe that is to be. We would therefore find it very regrettable if this directly elected Parliament, which we wanted, to which we committed ourselves, turned its back on the very country that was first to play host to the Europe of the representatives of the people. Of course, we are not ignoring the problems caused by this Parliament not having a fixed seat. We would also be prepared to join in discussions on these problems and to seek a final solution if we could be sure that such a discussion would be conducted fairly and without prejudice. But Luxembourg has never been given a fair chance in this discussion. Even before the deliberations had been concluded and even before the Council was able to state its views on Parliament's resolution of 20 November 1980, a majority of this House declared itself in favour of dropping Luxembourg as a venue for Parliament's meetings and sittings.

The report now before us takes no further account of Luxembourg, referring only to Strasbourg and Brussels. And yet it can be proved that the lowest costs are incurred when Parliament sits in Luxembourg, because that is where the Secretariat and the officials are. Nor is the reference to the European 'travelling circus' water-tight. We representatives have to leave our home towns regardless of whether the sittings are held in Strasbourg, Brussels or Luxembourg. When I look

Abens

at the timetable for the next few months and the last six months, all I can say is that the work of our Parliament has not suffered unduly from all the travelling. After all, there have been frequent decisions by a number of groups and committees in recent months to meet far from the present places of work, for instance in London, Berlin, Bogotá, Paris, Tokyo, Freetown, Australia, New Zealand, Sicily, Madrid, Rome, Jakarta, Chile, Peru and El Salvador, and Liverpool, Naples, Patras, London, Guadeloupe, Martinique and others are in the offing.

I sympathize with this travelling. Although this Parliament has been directly elected, its activities are not as fully appreciated by the public in the Member States as they should be. That is why the European Parliament must be its own ambassador. It must familiarize itself with the situation on the spot in the various Member States and, through its occasional physical presence, make clear the task it performs.

There are a number of federal States in the world which have preferred not to concentrate all their organs and institutions in their capitals. In the Federal Republic of Germany, for example, such important bodies as the Federal Constitutional Court, the Bundesbank, the Federal Criminal Investigation Department and the Federal Environmental Protection Agency have their seats not in Bonn but in various other German cities. The European Community, however, is the first voluntary association of sovereign States, and it is in no way beneficial to this process of integration, with its peculiar features rooted in history, for the European Parliament to want to engage in an institutional conflict at the expense of the smallest Member State. A decision by a majority of this House to endorse the conclusions drawn in this report and so exclude Luxembourg as a venue for its sittings and meetings in future, will be not only contrary to the will of the Luxembourg Government and of the Luxembourg people: it will also be in contravention of current law and specifically the decision taken on 8 April 1965 on the Community's places of work, a decision which was expressly confirmed by the Heads of State or Government in Maastricht last March. Such a decision would be a blow to the Community solidarity that is needed and should make the smaller Member States in particular stop and think.

I therefore call, Mr President, for the rejection of this report and for a return to the *status quo*, that is to the previous practice of holding alternate part-sessions in Strasbourg and Luxembourg, with the committees meeting principally in Brussels. This solution would not harm the prestige of the European Parliament and it would in fact demonstrate to the whole world that there is genuine solidarity in our Community and that the stronger do not ride roughshod over the interests of the weaker.

(Applause from various quarters)

President. — I call Mr Penders.

Mr Penders. — (NL) Mr President, I speak on behalf of a minority of the EPP Group, a minority which has major objections to the Zagari Report. What is the situation at the moment? Things are not going well for Europe. The European economies are in difficulties, and the European institutions are acting woodenly: there is no go in them any more. It was against this gloomy background, which has been in evidence for a number of years, that the first direct elections to the European Parliament were held. The European Parliament, our hope and our conscience, as State Secretary Van der Mei put it here a month ago. The European Parliament was expected to provide a European and a Community impulse. If it is to do so, it must function efficiently, which means that the European 'government' of Commission and Council must be effectively controlled and the citizens of Europe effectively represented. This can be achieved only if the European Parliament has a single place of work and stops behaving like a troop of travelling circus artists.

I did not say the European Parliament must have a single seat: if that ever happens, we can put out the flags. But that, I feel, is expecting too much for the present. I wish the governments every success in their search for a single seat for the institutions, but I do not see much headway being made. But a single meeting place for Parliament, that is something that would appeal to the imagination of Europe's citizens. The European electors in fact have a right to demand that of the governments of the Member States and of us, the Members of the European Parliament. But will anything come of this? The European Council showed no interest at Maastricht and merely confirmed the *status quo*, and so nothing changed. And what has the European Parliament done? I quite realize that without the approval of the governments we are unlikely to get the one place of work, but it is for this very reason that Parliament itself must come out clearly in favour of a single place of work. Then we shall have done our democratic duty. But what do we find happening? We find the European Parliament threatening to take the same course as the governments, leaving everything more or less as it was, apart from excluding Luxembourg. That is what the Zagari Report boils down to, and it is a real let-down. The European Parliament is digging a pit for itself. After taking this decision, will we have any right to regard ourselves as an innovative force in Europe? Will we still have a European right to speak? I therefore urge you to support the amendments which point in the direction of Brussels. There are Members who say we should not set our sights solely on Brussels. The executive will go to the parliament wherever it sits, as history has shown. That has, of course, been true of parliaments with real powers. But in that respect the European Parliament is not yet full-grown. So that is a very dangerous argument. To avert the danger of nothing at all being done or of the Zagari Report being

Penders

adopted, amendments have been tabled which leave it to Parliament to choose between Brussels and Strasbourg. We found this embarrassing because we are genuine supporters of Brussels. That is where the Commission and Council have their seats. It is where the European people look to because it is where the media are centred. But if necessary, we will opt for Strasbourg if it means having just one meeting place. We also have every sympathy with those who point to the symbolic and historical significance of Strasbourg. We might perhaps take this opportunity to thank Mr Pflimlin very sincerely for the considerable efforts he has made to improve our working conditions. But from a political point of view we prefer Brussels.

The objection to what I have said will, of course, be that the governments will not agree to what I am calling for and that Mr Zagari has shown greater wisdom. I completely reject that objection. We must stop playing at being diplomats, because we are not diplomats. We are representatives of the people and members of a body in which the final hope of renewed progress at European level has been placed. Let us act accordingly by making an unambiguous statement.

(Applause from certain quarters)

President. — I call Mr Tyrrell.

Mr Tyrrell. — Mr President, we are privileged to be joining in the greatest experiment in democracy in modern times in this Parliament and I think we can add to that that we are joining in the greatest experiment in international democracy that there has ever been, and yet it looks as if we might be about to trip in the very early years of our existence, for we cannot even fix on a single meeting-place. Listening to the debate this morning, I could not help an increasing feeling of depression: I hope it will not be worse by the end of the day. Speaker after speaker paid lip-service to the great principle of having a place of our own, one meeting-place, an inexpensive meeting-place, yet speaker after speaker, with some honourable exceptions, found excuses for not doing anything about it. Mr Bournias — I was very disappointed that he should pay lip-service to this principle and find the reason for doing nothing about it. Mr Estgen suggested that what we were proposing to do was illegal, but if one studies the Treaty one finds that what we are proposing to do is perfectly legal. Parliament has always asserted its right to fix its own meeting-place from the earliest days of the Parliament back in 1959, and under Article 142 we have a right and a duty to fix our own meeting-place in the sense that we have a right and a duty to arrange our affairs for the most efficient dispatch of our business.

Speaker after speaker blamed the governments of the Member States. They are trying to shift the responsibility for inaction, for it is not the fault of the govern-

ments of Member States. Of course they are under a duty under the Treaty to fix a seat of the institutions — that is, all the institutions — by common accord. We know that from time to time they have tried to reach that common accord. We know that they have failed, but we cannot say they have not tried. It is their duty to fix a seat of the institutions, but this has got nothing to do with fixing a place for the Parliament to meet, its working-place: that is a matter for us. It always has been and it is now: that is why we have been meeting in Luxembourg. We went there in 1967 voluntarily for some meetings; in 1971 the French Government protested and again in 1973, but they never took any action. They took no action because they knew that in the end it was a matter for the Parliament to decide where it met.

And so we have excuse after excuse being advanced. Mr Abens made a most moving speech on behalf of Luxembourg: it matched Mrs Weiss's speech this morning, a most moving speech on behalf of Strasbourg. Of course we have great sympathy with all the three cities. My amendment, the one standing in my name, does not make a choice between the three: it calls for one place and leaves the Parliament to decide by free vote which place that should be. Now I say to Mr Abens and I say to Mrs Weiss and I say to all other friends and colleagues, what could be more democratic than that? So let us please put aside excuses for inaction, stop calling helplessly on the Council of Ministers to do that which in 30 years they have never succeeded in doing and never will and assert our credibility in the eyes of the world as a parliament that is going to be efficient and effective and means business, and that means nominating a place of our own!

(Applause)

President. — I call Mr Hamilius.

Mr Hamilius. — *(FR)* Mr President, I am speaking to you as a militant European, as a Member of this Parliament, of course, but also as a Luxembourgish.

As a member of the European Union I am in favour of strengthening the powers of our Community institutions and, in spite of what Mr Tyrrell has just said, I continue to believe that not only must we earnestly wish for a united Europe but that it is essential for such a Europe to go on zealously protecting the right to individual freedoms. What we are about to do now seems to me to be nothing less than a denial of that right. The national parliaments of our countries will remember this when the time comes for us to ask them to surrender more of their sovereign rights. I can understand the frustration felt by Members who, having been directly elected by universal suffrage, find that they are sharing their democratic authority with other parliaments, as the power of the European Parliament is restricted by the Treaties that brought it

Hamilius

into being. But while there might be some justification, from a European point of view, in demanding more rights there is no justification for stepping outside the law in so doing. In any event, the exercise we are engaged in here today in trying to assert our authority as regards our material working conditions is particularly ill-advised and does little to enhance the image of our institution, all the more so as, while using efficiency and economy as a pretext, it has no basis in any reliable cost analysis or operational research. The moral and material injury that some are quite deliberately proposing to inflict on my country today is not only out of all proportion to anything we have ever come across in this Community — the so-called lamb war and herring war included — but is in fact on the point of destroying an entire social fabric that has grown up over many years with the active encouragement of our own predecessors here in this House and also with the help of the staff of this Parliament.

One final point: if it is our wish to assume our proper political place in Europe and if the object of this debate is to lead eventually to a decision on a true European capital and, I hope, to the establishment of a European legal area excluded from the sovereignty of our States, we cannot but deplore the trivial nature of the debate and its preoccupation with material comforts and interests. Understandable as this preoccupation is, one can hardly reproach my country and those who live in it for seeking to protect their legitimate and vital interests, derived from the law, and for doing it by every legitimate means at their disposal, and I mean 'every legitimate means'.

Mr President, before I finish I should like to express my appreciation to all those who, both in this House and outside it, continue to work for a concerted solution to the problem of the seat and working places and have demonstrated their positive commitment to the task of European integration.

(Applause from some quarters)

President. — I call Mr Romualdi.

Mr Romualdi. — *(IT)* Mr President, ladies and gentlemen, it is not so much because of a legalitarian respect for Article 216 of the Treaty that we, my friends of the Italians right and I, voted this morning in favour of the interlocutory report presented by our colleague from Luxembourg, but rather because we feel Parliament should not make a choice which will certainly have no practical results — that is, a useless choice; and this not because the elected Parliament is weaker than the preceding one — as Mr Zagari said — but simply because such a majority decision, if applied, would inevitably injure the rights of the weakest, rights which influence a situation deeply rooted in time, justified by historical, political, and practical factors and which can be altered only

through agreements among the interested countries; a decision aiming at change but only — I repeat — at the expense of the weakest, which in this case is Luxembourg.

It is not believable, ladies and gentlemen, that, on the strength of a mere parliamentary vote — assuming that we can arrive at such a vote — France will give up the seat of our Assembly. For this reason — while agreeing that Parliament needs a single working place for the perfectly valid reasons set forth by Mr Zagari and for others more practical than political, all of them right and understandable — I think that Parliament would do better to limit itself to underlining the importance and urgency of a decision, not making a choice but using its vote to place the Council directly before its responsibilities and urge it to implement Article 216 at the earliest possible moment. We should not make a choice by means of a parliamentary majority — that is, according to established political and economic interests, particular or general, well- or little-known — but should rather issue a precise invitation to the European governments to make this choice after a responsible study of the rights of all. Special attention should be paid to the rights and needs of a parliament whose development and capacity for effective work are important not only for us, but also for the governments and their respective parties, parties which continually vacillate between contradiction and silence.

President. — I call Mr Jaquet.

Mr Jaquet. — *(FR)* Mr President, once again we are being asked to consider the problem of the seat of our institutions and our Parliament's place of work. On behalf of my French Socialist friends and a number of other Socialist Members I have a few observations that I should like to make on the subject.

It is clear that a single seat for all the European institutions is desirable. This fact is expressly recognized, moreover, in Article 216 of the Treaty of Rome, which stipulates that the choice is to be made by the governments of the Member States by common accord. But it is now more than 20 years that we have been waiting for this decision, and despite our last and urgent appeal the Maastricht Conference proved to us once again that the problem was scarcely any nearer to a solution. We regret this and I imagine that this regret is felt by everyone here.

Faced with these continual rebuffs what ought we to do, what can we do? Should we impose our will on the Council and ourselves choose the city which is to become this single seat or — which would be a more subtle approach even if the end result is still the same — choose the working places in such a way that all the institutions end up being concentrated in the same

Jaquet

city? That would mean that we were determined to confront the Council in order to impose our will on it in a matter over which, by the Treaty, it has sole jurisdiction. Quite frankly, I do not believe that it would be right for us to take this course. By such action we could hardly expect to prevail on the Council and, in any event, Parliament would not have the last word in a conflict of this sort. We should be running the risk of receiving yet another slap in the face which would deal a severe blow to our Parliament's prestige and credibility.

What then can we do? The Political Affairs Committee is suggesting a procedure which to us seems preferable. It consists, most importantly, in reaffirming the necessity of a single seat for our institution and in urgently requesting the Council to enter into consultation with the European Parliament on this subject at the very earliest date. Furthermore, it suggests for the immediate future a transitional formula which would be within our terms of reference and which would bring about the beginnings of rationalization and enable us to work more efficiently. As you know, this formula provides for the committees to meet in Brussels, in other words close to the executive. The political groups could also hold their meetings in Brussels since both the groups and committees often have their meetings in the same week. On the other hand, Parliament would hold all its part-sessions in Strasbourg. To simplify the work of the Secretariat all officials concerned with group and committee work would be moved to Brussels and those connected with part-sessions to Strasbourg. The present constant travelling would thus be substantially reduced.

This solution is certainly far from perfect. It can only be a temporary one. It would however, I believe, bring about a significant improvement in the present situation and would have the added advantage of all our part-sessions being held in Strasbourg. Strasbourg was the city chosen by our governments immediately after the war as the seat of our first European institution: the Council of Europe. Strasbourg was chosen at that time because it stood as a symbol, a symbol of the reconciliation between nations that had been locked in deadly combat during the last war and had sworn to be at peace with each other for all time. Strasbourg has remained a symbol. The first ECSC parliament decided to have its seat there. The first parliament of the European Economic Community met in Strasbourg and today we are again in Strasbourg. It is, then, a symbol of the will of a number of peoples to build their future together. Believe me, we still need symbols, even in this day and age.

Such a solution would undoubtedly pose a difficult problem: Luxembourg would lose Parliament's Secretariat. It is the same with all the proposed solutions and I can quite understand the bitterness of our friends from Luxembourg, as expressed a moment ago by Mr Abens for one. It is vital therefore, if we are to reject the *status quo*, to ensure that Luxembourg

receives adequate compensation. This is something we must get down to in all seriousness and with a determination to find just solutions.

Those, Mr President, are just a few observations that I wanted to make on behalf of a number of Socialist friends. We accept the document presented by the Political Affairs Committee in its entirety and we shall be voting accordingly.

(Applause from various quarters)

President. — I call Mr Pflimlin.

Mr Pflimlin. — *(FR)* Mr President, I have been allowed just six minutes to mount what is perhaps the last assault in a battle that I have been fighting for the past 30 years and more.

More than 30 years ago, immediately after the war, I was one of those who felt the need to give our peoples a new era of peace and reconciliation. Following men like Robert Schuman, Alcide de Gasperi and Paul Henri Spaak, men of different political persuasions, I immersed myself completely in the struggle for Europe. At that time I was not yet mayor of Strasbourg. But when it turned out, in 1949, that Strasbourg had been chosen as the seat of the first of the European institutions I became convinced and I am still convinced — and I apologize to those of you who feel this to be a secondary consideration — that to fight for a united Europe and to fight for Strasbourg, a place of coming together, of conciliation and of peace, was one and the same thing. I was encouraged in that thought, Mr Møller, by the words of Mr Ernest Bevin, in 1949, the then Secretary of State at the Foreign Office who, in justifying the choice of Strasbourg said: 'We were looking for a centre which would be acceptable to all the European nations and could become a symbol of European unity. To me Strasbourg seemed the obvious choice. This great city has been a witness to the stupidity of the human race which has tried to settle its disputes through war. Europe has won the right to resolve these problems by more humane methods. We thought Strasbourg was truly the right place to continue this great work in an atmosphere of goodwill'.

Not long afterwards we had the honour of welcoming here Winston Churchill who was a freeman of the city of Strasbourg. It is a title we bestow very rarely. We have had only two freemen in our time: General de Gaulle and Winston Churchill. And we have given Winston Churchill's name to the largest bridge ever to have been built in our region, just as we have given Ernest Bevin's name to the quayside of the canal very near here. We believe in giving recognition.

In 1958, after the signing of the Treaty of Rome, by a solemn proclamation of all the elected representatives

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of Strasbourg and the region, we affirmed Strasbourg's commitment to Europe. Unfortunately, the governments of the Six were unable to agree on a single seat, and remember that what was being proposed then was a single seat for all the institutions of the Communities. Let us not forget that if Strasbourg is only a provisional meeting place for Parliament, the Commission itself is only in Brussels on a provisional basis. Everything is provisional. Nevertheless the governments did agree on Strasbourg as a meeting place for the European Parliament. I myself was a Member of the old European Parliament for eight years, between 1959 and 1967. And during those eight years I attended and took part in debates and votes which already then turned on this question of a meeting place. Motions were put down with a view to transferring our assembly to Brussels even then. All these motions were in their time rejected. It is true that we did not at that time have any representatives from the United Kingdom among us, which was to us a matter of very real regret.

I was one of those who even in the most difficult moments was always in favour of the United Kingdom's admission to the European Communities. All these government decisions, all these votes have led the city of Strasbourg to make great efforts. I do not ask that these efforts should be recompensed or even acknowledged, that is not the point. We have nothing materially to gain by having the European Parliament here, on the contrary. We have had to accept certain financial sacrifices. At the time I am talking about no-one gave much thought to such things as air connections; there were none in any case. I fear I must be the oldest parliamentarian here, as I took my seat in the French National Assembly in 1945. At that time we travelled about by night-train. There was no question of going by air, but somehow I survived those difficult times. With the support of the French Government we have tried to minimize the disadvantages due to distance, but not without fairly considerable financial contributions from the city of Strasbourg. A whole network of air connections has been established that links us directly with London, Dublin, Amsterdam, Brussels, Milan, Rome and Frankfurt. Last week I was in Brussels. But I do not complain when my duties as a Member of this Parliament require me to go to Brussels to attend a committee meeting or a meeting of my Group. There are two flights a day between Strasbourg and Brussels linking the two cities in just 55 minutes flying time. It can take longer than that in some of our bigger cities, in the rush hour, to get across from one side to the other.

I beg you, let us not attach too great importance to these questions of convenience. When I hear it said that the citizens of Europe are going to judge us on our ability or inability to resolve these material problems I feel bound to say that if faith in Europe has in any way diminished it is not because we have a multiplicity of meeting places. In the excitement of the 1950s Europe was popular. It aroused tremendous

feelings of hope and I cannot ever remember hearing or reading in any newspaper of the time any suggestion that there was anything wrong in Parliament dividing its work between Strasbourg, Luxembourg and Brussels. And since I mentioned Luxembourg, I am one of those who has always believed in a fair solution for the Grand Duchy of Luxembourg.

I do not know if my six minutes are up yet, but I want simply to say this: the European Communities are at the moment going through a very serious crisis, and for all sorts of reasons. Let us not add one crisis to another. What Europe lacks most right now is the confidence of its peoples because we have so far been unable — and, quite frankly, two years is too short a time — to resolve the problems that were really preying on their minds, that is to say unemployment and inflation. What is serious is that we sometimes give the impression that we are more than anything concerned with technical questions and with protecting economic interests, whereas the fact is that Europe will never be a driving force unless, over and above the economic interests, over and above technical considerations, over and above attempts at budget economies, we can find a way of reawakening that enthusiasm for Europe!

(Applause)

I believe we need to set ourselves a great ambition: to inspire a European patriotism. Oh, we have a long way to go yet! Yesterday I was rereading something that Fustel de Coulanges wrote over a hundred years ago. In substance he said this: What makes nations is not identity of race, religion or language but a community of feelings, memories and hopes. It should be our great ambition to make our Community the herald of a future motherland. We already have a Community of memories. Let no-one say to me that there is no sense in looking back on past times of trial, that one should draw a veil over them. What European sentiment there is in our people has its source in the past that we have lived through and in the determination never to have to suffer such experiences again.

Incidentally, speaking of symbols, there are those who say ours is not a symbolic Parliament. That is true, but that is not where the problem lies. When I learn that every year a hundred thousand people come to Strasbourg as European pilgrims I think back to the earlier Christian times when people went, on foot — there were no planes or even cars then — to Santiago de Compostella or Rome. There can be no Community unless there is a shrine where, more than anywhere else, one can perceive a sense of community. If I may borrow a phrase used by the philosopher Henri Bergson, I believe that what we need above all is 'more soul'. Let us not destroy those shrines where, more than anywhere else, one can feel the soul of Europe!

And so I ask you — no matter how valid all the technical, practical and financial arguments that can legiti-

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mately be invoked in the course of this debate may be — not to turn your back on the shrine you know Strasbourg to be.

(Loud applause)

President. — Without wishing to influence the course of the debate, might I simply say that no doubt all the Members of this House, regardless of how they intend to vote later, have great respect for Strasbourg's commitment to Europe.

(Applause)

I call Mr Møller.

Mr Møller. — *(DA)* Mr President, although I am the author of another amendment, which says that Brussels should be the single seat, I should like to associate myself with the President's thanks to Mr Pflimlin. I think all of us feel immensely grateful to the Mayor of Strasbourg for all he has done over the years here in Strasbourg. All our wishes have been answered; we enjoy being here. If, none the less, we propose a different solution, it is because time does not stand still: we must move on from historical symbols and organize ourselves in a practical way.

The original assumption was that it would be practical to have two or three meeting places. We have learned, not least following direct elections, that it is not practical. We have learned that we cannot exist as a Parliament, as this 'travelling circus' as we have been called. We therefore asked the governments to reach a decision. They did not reach a decision. In Maastricht they merely agreed that we should carry on as we had been doing. But this is intolerable and cannot continue. I know very well that a small country may have to suffer. I myself come from a small country, but not every country is entitled to have a European institution. Denmark has not asked to have a European institution. We know perfectly well that we have no claim on one and we are resigned to that. We are not applying for one. But there is another small European country, Belgium. Why should not the Belgian capital, where the Commission and the Council are situated, also have the Parliament? We can all see that it would be more practical for our work if we were in the same place as the Commission and the Council. We could consult together and learn what the Commission's and the Council's views are, so there would no longer be any need to travel around in this circus.

Therefore — grateful as I am, pleased as I am, to be in Mr Pflimlin's city — I ask the House to make up its mind. The amendment tabled by Mr Kirk and myself offers a last opportunity for the governments to take another decision by 1 October in accordance with their terms of reference. But if they have not done so by 1 October, we must ourselves see that we hold our

sittings where the Commission and the Council are and make that our working place. A single seat and working place for committees, groups, Commission, Council and parliamentary sittings.

Mr President, I am terribly sorry to have to say such things, but now, after Parliament has talked for so long about this single seat, along comes the Political Affairs Committee on this day of reckoning and says we must have two seats. So we are no further on; we must go on wasting millions upon millions on transferring documents from one place to the other. We must go on wasting millions upon millions on moving officials from one place to the other and back again. Mr President, I do not think the people of Europe can regard this as the right solution. I think they will say money is being thrown down the drain because the Council will not take a decision. And because we ourselves, when it comes to the crunch, have got cold feet. After all the resolutions we have adopted in favour of a single seat, we now have a proposal recommending that this single seat should be Brussels; but we get cold feet, not least because we have so much respect for Mr Pflimlin. Mr Pflimlin has given us cold feet, but all the same I ask you to stick by all you have done and sworn about the need to act now, the need to decide ourselves where we want to meet, where we want to be and where we want to work. Therefore, we say, take the decision now and let us go where the other Community institutions are, let us meet in Brussels and let us give Brussels plenty of time to prepare for this. I know it will mean building new buildings in Brussels and we must meet our commitments to the other places and to Mr Pflimlin. That is all in order, the Bureau has seen to it that we can discharge these obligations. I am not sure how we can meet our moral obligation, apart from making Mr Pflimlin an honorary member of the Community, which he so clearly deserves . . . But I move Amendment No 32 and appeal to the House not to go on playing for time, but to carry a resolution which expresses what has been in our minds all this time, namely that we must now make an end of it. So let us vote for Amendment No 32.

(Applause from various quarters)

President. — I call Mr Mart.

Mr Mart. — *(FR)* Mr President, the Zagari Report is the greatest confidence trick the European Parliament has ever been presented with. It claims to be logical and to be putting an end to the so-called travelling circus, but it is unjust, anti-social and dishonest.

Ever since that famous occasion when a great many Members refused to work in Luxembourg, our Parliament has been increasingly weighed down by a moral dilemma. It is true that Luxembourg is short of a few conference rooms and offices for the personal use of

Mart

Members, but you know very well that this situation could be improved quickly if the Grand Duchy were given a chance.

But really Parliament has no right to be pretending that it is looking for the least expensive place, because that is in fact Luxembourg. The Zagari report, conceived as a way of disguising the self-indulgent attitudes of certain Members, places us in a moral dilemma. Those Members who support the report are not really looking for a less costly working place but have only their personal convenience in view; in other words they want the place with, among other things, the most convenient travel connections. They are not interested in the enormous sums already invested both in Luxembourg and Strasbourg, nor in the personal commitments of thousands of officials who over the years have made their home in Luxembourg.

People grumble about the working conditions in Luxembourg, but they can hardly say the same of Strasbourg. Here there is ample office accommodation, and even personal offices for the Members, which does not prevent a large number of them, Mr President, from wanting to get out of Strasbourg now.

Strasbourg has for the moment been granted a reprieve, but only until parallel facilities are established in Brussels. All of which goes to prove that what they are proposing to do with Luxembourg is nothing but a great confidence trick. In the capital city of Luxembourg you will also find the embassies of the Member States. So it is not a question of the suitability of Luxembourg as a working place. No, as I say, what we have here is a new move the sole object of which is to pander to the desires for personal convenience of some of the Members.

By adopting Amendments No 6 and No 7 tabled by our Dutch colleague, Mr Geurtsen, we can prove to the people of Europe that the cheapest place for the European Parliament is in fact Luxembourg.

We cannot allow the future of Europe to be based on a lie. We cannot, by countenancing such a lie, destroy a part of the economy of a small country that has so much to offer in the construction of a united Europe.

I appeal to your intellectual honesty: reject the Zagari report and accept the only truth, the truth that Luxembourg is the cheapest working place for our Community.

(Applause from some quarters)

President. — I call Mr Papaefstratiou.

Mr Papaefstratiou. — Mr President, the problem we are discussing concerning a single seat for the European Parliament and the services connected with it is

difficult and rather delicate. However, all sides of the House must make an effort, and it is to the credit of all Members that they are making a contribution to ensure that our Parliament is as efficient as possible. This is clearly something that all of them are aiming for. Historical, political, economic, communications, and even sentimental reasons have contributed, perhaps justifiably, to the delay in finding an ideal solution. However, at some point we have to take decisions. Personally I agree in principle with the rapporteur, Mr Zagari, in settling on the city of Strasbourg, for mainly historical reasons, as the place for Parliament's sessions and the city of Brussels for the meetings of the parliamentary committees.

If this were to be decided, of course, Parliament's secretariat would have to be set up, within a reasonable period of time, in one of these two cities.

The political groups must decide where to hold their meetings as conflicting political feelings are involved.

However, speaking on this issue I cannot help asking when will the European Parliament's opinions and wishes finally be respected by Member States? Colleagues, massive new problems are continually arising on the international scene. It is therefore essential to accelerate the policy for a unified free Europe and to intensify economic cooperation among Member States for the benefit of their peoples.

(Applause from certain quarters)

President. — I call Mr Hänsch.

Mr Hänsch. — *(DE)* Mr President, ladies and gentlemen, I do not think this debate will change anybody's mind. In the last few days and weeks everyone will have been carefully considering how he should vote on this issue. As we all, of course, realize, there is much to be said for making this charming and hospitable city of Strasbourg, with its many traditions, our Parliament's permanent place of work, and there is much to be said for choosing Brussels, with its good connections to the European transport network and as the seat of the Council and Commission. But above all there is much to be said for putting an end to the present system of three places of work.

Last year we called on the Governments at last to honour their Treaty obligation to decide on the seat of the institutions, including that of this Parliament. The Governments did not do so. They showed themselves incapable of taking a decision.

Now it is Parliament's turn, and we must act differently from the Heads of Government in Maastricht. We must stop crying out for a single place of work. We must at last say *which* place of work we want. If not even this Parliament, which can decide by a

Hänsch

majority, can manage to make its views on its place of work clear, how can we expect the Governments, who have to decide unanimously, to do so. If we cannot take a clear decision, one way or the other, we shall be the ones who have made fools of themselves before the European public.

That is why we of the Socialist Group have joined with the European Democratic Group in tabling an amendment to Mr Zagari's report which will enable us to take a clear decision, which will in fact force us to take a clear decision, leaving no room for anyone, including ourselves, to make further excuses. This is Amendment No 9. Why do we propose this course of action? We see that a number of amendments have been tabled to the Zagari report. What we are worried about — and this should worry us all — is that the votes on these amendments will change and water down the report to such an extent that, by the time the final vote is taken, it will not have the support of the majority of the House and will be rejected. That would mean failure by Parliament to take a decision on this very important issue, for which we have now been preparing ourselves for months. That would be the worst possible outcome for today's debate and the decision we have to take today, and there would be absolutely no sympathy with it outside this House.

We must therefore submit ourselves to an alternative vote tomorrow, a vote in which the majority can only designate either Strasbourg or Brussels as the place of work. Whatever we do, the decision must be a worthy one and a clear one. We should take it in a vote separate from that on the Zagari report. And this vote should be taken tomorrow without further debate. This course of action could and should lead us out of the confusion of this debate and these amendments.

I urge you to approve this course of action, because it will lead us to a worthy decision on the seat and place of work of our Parliament.

(Applause from certain quarters)

President. — I call Mrs Lentz-Cornette.

Mrs Lentz-Cornette. — *(FR)* Mr President, there are three observations that I should like to make.

Firstly, I feel that Members are too inclined to regard the problem of the seat as their own private affair. Must I remind you that Parliament cannot work without officials and that these officials too have rights to protect? The officials of this Parliament have repeatedly expressed their desire to remain in Luxembourg. I find it difficult to understand how some of my colleagues can go on for hours about the need for constructing a social Europe while at the same time they are unwilling to take into consideration the social impact of the problem of the seat on the officials.

Secondly, the fact that the part-sessions of Parliament are held in Strasbourg and in Luxembourg, that committee meetings are held in Brussels and that the Secretariat is located in Luxembourg unquestionably poses a certain number of problems. I would not contradict those who stress the fact that this situation does put Members to some degree of inconvenience. I do feel, however, that those Members who protest, often vehemently, about the journeys between Strasbourg, Luxembourg and Brussels should protest with equal vehemence about the journeys they are obliged to make to attend meetings in Sicily, Scotland, Australia, Freetown and, this September, in Guadeloupe. A parliament that likes to travel lacks credibility if at the same time it is apparently moving heaven and earth to fix a single seat for itself.

Thirdly, I am not unaware of the fact that for many of us here the object of today's debate is to permanently do away with Luxembourg as a working place of the European Parliament. I have come to the bitter realization that once again the interests and wishes of the smaller countries of the Community count for nothing when they clash with those of the larger countries. This is highly regrettable. The Grand Duchy of Luxembourg is the most Community-minded country in Europe. There is not a single political movement in Luxembourg that is campaigning for the withdrawal from the Community or that is critical, as is the case in many other Member States, of the extension of Parliament's powers; and it is this country, all of whose citizens are out-and-out Europeans, that many in this House want to deprive of the status of a working place of Parliament. It is not Parliament that will make Luxembourg go back on its commitment to Europe.

(Applause from various quarters)

President. — I call Mr Prag.

Mr Prag. — Mr President, what we decide in this debate, and as a result of it, will not be just another opinion, nor just another resolution. How we vote this afternoon will determine the future effectiveness, indeed credibility, of this Parliament. This debate is of course about where Parliament's working place should be, but it is not primarily about that. Above everything we must place the ability of this Parliament to carry out its task of democratic control of the Community process. This debate is primarily about whether we make this Parliament effective by deciding to meet and work in a single place, naturally with proper compensation to the cities which would lose by such a decision. We should not be dealing here with personal preferences.

Je dis à mes collègues et amis luxembourgeois que, personnellement, je préférerais Luxembourg, ville ravissante où j'ai vécu et travaillé pendant dix ans et pour laquelle j'ai la plus grande affection. Je dis à mes

Prag

collègues et amis français que, des points de vue esthétique, artistique et, j'ose dire, gastronomique aussi, je préférerais Strasbourg, qui nous a accueillis avec tant de chaleur et d'amabilité.

If I am for Brussels, Mr President, it is because I believe it is the best solution for Europe. No-one put it better than Mr Zagari before his report first became doubt-ridden and then was mutilated out of all recognition in the Political Affairs Committee. Brussels is where the executive branch is located. It is where the Community-accredited press is, 400 correspondents who live by writing about the Community, not the European Parliament. It is where the aeroplanes fly, 14 a day from London alone and similar excellent services from other capitals.

It is not our task to give way to questions of national prestige or symbolism. The Community is not the property of any government or of any single Member State, whether large or small. The Community is Europe's and the criteria must be effectiveness and credibility for the future of Europe. We can achieve these only in a single working place, where in two or two and a half weeks we could hold our plenary sessions without the mad gallop of getting them into four days and hold our committee meetings and group meetings without the present appalling waste of our energy and the European taxpayer's money. There we should have at last the invaluable backing of a contented secretariat and a real reference library. In the remainder of the month we would have time to think and to tend our public opinion which is so vital to the future of Europe.

May I now deal with some of the arguments, or subterfuges, of those who are against a single working place; of those who in the Political Affairs Committee turned the Zagari report into a lump of putty. Take first the argument of the cost of a new building if we choose Brussels. Mr President, nothing could be more expensive in the long run than having three centres with three sets of buildings, or even two centres with two sets of buildings. The present renting of buildings is absurdly wasteful. A COREPER study shows that in the 20 years to the end of the century the Commission will spend more than 50 000 000 000 Belgian francs in rent. Over four times as much as the 12 000 000 000 francs it would cost to buy all its own buildings at present prices. How much greater would be the economies if the Parliament, now renting buildings in three cities, were to possess its own building in a single city?

The second of these arguments is that we cannot win against the governments. What a counsel of despair for a Parliament fighting for recognition! Parliament must fight for the right to exercise democratic control effectively, because the governments will not give it automatically. Executives never have in the history of democracy.

Let me now turn to some of the obfuscations among the amendments: that we should adopt the status quo temporarily until the governments decide on the seat of the institutions; that we should make another study; that we should seek conciliation with the Council. 'Il n'y a rien de plus permanent que le provisoire' runs a French saying. For 29 years since the Coal and Steel Common Assembly provisionally set up its secretariat in Luxembourg and first met in Strasbourg we have put up with the provisional. For heaven's sake let us have no more of this!

Finally, I turn to the argument that we would make ourselves ridiculous if the governments frustrated our decision to move to a single working place. I say it is the governments which could make themselves look ridiculous if, against all the rules of economy and common sense and of democracy, they challenged us on this question. It would be so ridiculous and so wasteful of taxpayers' money that I cannot and do not believe that the governments would challenge us.

We would only make ourselves look ridiculous if at this moment of decision we ran away, as the Political Affairs Committee did, and sought refuge in the status quo and in immobilism. If we dither and fudge, if we seek refuge in studies and verbiage we shall be the laughing stock of Europe.

Colleagues, I urge you to take your courage in your hands and do at last what we know we must do — reject the Zagari conclusions in their present disfigured form, vote for amendments which will put this Parliament in a single working place and decide at long last where that working place should be.

(Applause from certain quarters)

IN THE CHAIR: MRS DE MARCH

Vice-President

President. — I call Mr Galland.

Mr Galland. — *(FR)* Madam President, by this stage of the debate virtually all the arguments in support of the various proposals have been dealt with at some length. For my part, I wish to appeal for realism and for the proper exercise of the responsibilities entrusted to us.

We have heard over and over again the financial argument for a single working place, overlooking the fact that compensation to one or even two abandoned

Galland

working places and compensation paid out to the staff of Parliament could involve very much greater expense.

We have heard that it would be more efficient to have a single working place for the institutions, bringing Parliament and the Commission, among others, closer together. While this may very well be desirable it does not, if I may say so Mr Prag, take into account our experience of the past two years, which was that the Commissioners were disappointingly thin on the ground in Brussels, making only fleeting appearances before our committees, but have been present in force here in Strasbourg — perhaps they felt obliged because of the distance to put in appearances here.

And little is said about the obvious advantages of having the various Community institutions dispersed among as many as possible of the countries of the Community in order to disseminate the reality and hopes of Europe as widely as possible. Anyone would think, listening to some, that it was impossible to work the way we have been doing since the beginning of the year, which is the way of wisdom. Groups and committees in Brussels, plenary sessions in Strasbourg, fair and realistic compensation for Luxembourg — difficult as that may be — that is what we should like to see.

That is the least unjust solution, the wisest solution, one which will forestall any institutional crisis in which Parliament is again seen as the villain of the piece. It is also the solution to the problem of efficiency, provided that use is made of the latest means of communication to provide an instant, total and permanent link between Strasbourg and Brussels. That is a realistic and efficient solution which will reflect Strasbourg's symbolic role and confirm the remarkable efforts made to satisfy our working requirements during plenary sessions by Strasbourg and its mayor, Mr Pflimlin, whom we shall never be able to thank enough.

(Applause)

And now I turn to my British colleagues: it is not enough, my friends, to pay tribute to Strasbourg's efforts, to acknowledge that it has excellent facilities, to say that it is the symbol of European reconciliation, to applaud the outstanding speech made by its mayor, if in the end you vote for it to be ousted and eventually forgotten. In applauding Pierre Pflimlin I was not showing appreciation for his style of delivery: I was expressing approval for a particular conception of Europe; would that you could have done the same.

Mr Pflimlin, rest assured: whatever happens this evening, I am sure that your fight for Strasbourg today was not your last, as you suggested earlier. For our part, we shall vote in force for the efficiency of our institution, for the symbolic value of our European

past and for the best chances of the Europe that we have yet to construct.

(Applause from the Liberal and Democratic Group)

President. — I call Mr Price.

Mr Price. — Madam President, in our resolution last November we called upon the Member Governments. We said to them specifically that if they had not fixed the seat by June of this year we would have no option but to take the necessary steps to improve our working conditions. Now what did we really mean when we said that? Did we mean decide or otherwise we will call upon you again? Or did we mean what we said, that we would, in fact, take steps to improve our own working conditions?

The reality is, as Maastricht made quite clear, that the Member States who have, under the Treaty, to agree by common accord, in other words, unanimously, are in no position to reach agreement in the foreseeable future on a seat for the institutions. Therefore those who have argued in this debate that we should call upon them yet again to do so, and take no effective decision in the meantime, are really holding out a fig leaf to this Parliament. That fig leaf, in my submission, has slipped and their text has been left exposed. In the way in which it is put to this Parliament today in the Zagari report, it is not that Parliament is even telling them where we want that single seat to be. We are simply putting a vague call to them to take a decision and that, in my view, would expose the indecision of this Parliament if we were to follow that line.

My case is that we should concentrate our activities at Brussels, but with certain plenary sessions at Strasbourg as a symbol of both compromise and reconciliation — of the past and of today. Those who have put the case for Strasbourg in this debate, I note, have not put forward a single amendment to suggest that all parliamentary activity ought to be concentrated here. Similarly, there is no such amendment for Luxembourg. If we really look at the situation we know perfectly well that if we want to be in the same place as the Commission and the Council, it is not very likely that those institutions will move from Brussels and therefore the reality is that if we believe in the resolution that we passed last November, with the massive support of this Parliament, proposed by virtually every political group leader, there is only one answer today and that is to take the sort of line that I have suggested.

Madam President, in the amendments put forward by those who support the views of Luxembourg, we have had it suggested that we should leave the decision to some independent expert who would come in and tell us which is going to be the cheapest way of doing things. All I can say is this — it is a fact that in the

Price

long term it would be cheaper for all the institutions to be in the same place and that inevitably must mean Brussels, although quite clearly if you were to take a time-scale of only a year or two, the result would be very different. And when we hear about Luxembourg being crushed, let me just point out that in 1965, when the decision relating to Luxembourg was taken, we had about 1 200 Community civil servants but now the number is over 5 800. How can one say that Luxembourg is being crushed?

Madam President, I believe that we are today laying the foundations of the Parliament of the future — for its growth and development and in the long term, quite clearly, we must be in the same place as the Commission and the Council. We must also take into account the growth in our staff, the enlargement of the Community and the extra responsibilities the Parliament will have. It will be more and more difficult the longer that we postpone this decision. I believe we have a responsibility to our successors, we have a responsibility to our electors and, above all, we have a responsibility to ourselves to take a firm decision today.

(Applause from certain quarters)

President. — I call Mr Enright.

Mr Enright. — Madam President, much of what I would have said at the beginning of this debate has already been said, so I would like to concentrate on what seems to me to be the main issue. That is whether we are going to grasp this nettle or whether we are going to show ourselves to our electorate as craven cowards, because that is precisely what we will do unless we take a decision one way or the other and very definitely today. If we actually believe in the working of the European Parliament and that it should be made more efficient — and I most certainly do — then a decision has to be taken. Otherwise we show ourselves again to be totally insensitive to the feelings of our electorate. A number of television films have been made which have held us up quite wrongly to ridicule on the basis of our travelling and the costs of our travelling. That is what is perceived as the main function of the European Parliament by many of the electorate throughout Europe. Therefore we must come to a firm decision today and we must say that it is *our* decision.

There is something almost theological about the way in which people have been arguing that according to the Treaty the decision is for the member governments. On what grounds? On democratic grounds? Most certainly not, because I know of no single member government that has debated this matter within its own parliament. I see no representatives of Council down here at the front, and therefore they are clearly not listening to what we are saying. However,

the public throughout Europe holds us, not the member governments, accountable for all this travelling around. We are blamed for it. If we are blamed for it, then in democratic terms we have a responsibility for taking a decision, and that decision we should take. We should not leave it to the negotiations, not of Ministers of State frankly, but of secret civil servants doing backdoor deals who are democratically accountable to nobody whatsoever. It is our decision and we must take it.

I have an immense admiration for Strasbourg. I like its people. I like its culture. It is a most beautiful city and must remain as a symbol of Europe. Having said all that, I submit very strongly that it is a symbol and not a working place. Therefore I urge this House very strongly to vote for Brussels on the grounds that have already been mentioned, i.e. that the Commission is there and that communications to and from Brussels are far better and would link us more efficiently with the rest of the world. I would particularly like to emphasize the fact that the Permanent Representatives to the European Community are also there. It is quite crucial that they be able to listen to our debates if they wish to do so. It is quite crucial that we be able to make representations to them, not necessarily on grand foreign affairs but on such things as the whole business of beet sugar and cane sugar, to name something very practical. Therefore, if we are to show ourselves to be a realistic Parliament, we must vote a definite decision now and I would suggest that vote should certainly be for Brussels.

(Applause from various quarters)

President. — I call Mr Beyer de Ryke.

Mr Beyer de Ryke. — *(FR)* Madam President, I would like to address my remarks primarily to all those who have spoken here without passion, or at least without that blind passion which has a habit of twisting and altering the truth.

I believe that the three European capitals each have their proprietary and historical claims and legitimacy. Who indeed would dispute Luxembourg's role, confirmed in practice by the number of European institutions, together with their officials, which have made it their home? Habits have been acquired, friendships formed, moral and material commitments entered into. Who, I say, could discount all that?

And Strasbourg: no other city — to the best of my knowledge and belief — can more fittingly symbolize all our hopes for Europe, with the spire of its cathedral rising up like a finger pointing the way ahead. And to the mayor of Strasbourg I would say — if he were here: Mr Mayor, the welcome you give us goes straight to the heart.

Beyer de Ryke

When from time to time we indulge in self-doubt, you establish our existence by providing us with the necessary environment for our work. Strasbourg as an environment is marvellous and the welcome, by virtue of the sentiment which inspires it, is in proportion. Thank you, Mr Mayor.

Such being the case, there are some images which have a way of imprinting themselves on the mind, never to be forgotten. I arrived last year to take my seat on the last day of the last part-session. In the corridors — and I say this with something of a smile — trunk after trunk was being stacked up, taking me back irresistibly to the days, before the war, when my grandmother used to supervise the loading of admittedly somewhat fewer trunks onto a train taking us off to the seaside. Pure nostalgia I hear you say, childhood memories always have a pleasant smell of seaweed, sand and sun!

But here, you see, we are talking about something quite different. What we have here is a problem of rationality and financing. And who could deny that this travelling back and forth is a terrible waste of effort and money?

The time has come then, however much of a wrench it may be for some of us, when we must say: enough is enough. And so far as I am concerned, and I have heard others say the same, if we are to opt for having a single seat, then Brussels, as seat of the Commission and the Council, by virtue of its geographical position, with the facilities it has to offer and as the capital of a country whose size is such as to pose no threat of hegemony with respect to other countries, Brussels then must be the rational choice.

And it is to reason that I am appealing, not to the heart, for these three European cities — Strasbourg, Luxembourg and Brussels — all occupy, because of what they are and the history they represent, a special place in our heart.

President. — I call Mr Paisley.

Mr Paisley. — Madam President, the present ridiculous arrangement whereby the European Assembly meets either in Strasbourg or Luxembourg while its committees meet in Brussels, with the terrifying costs thereby incurred and the continual transfer of staff and papers, could only have continued so long because of the abject powerlessness and failure of successive European Assemblies. An assembly which can debate the problems of the entire world but cannot even decide its own working or meeting place is an assembly deserving only of scorn and contempt. What sort of an example do we set our constituents when they know that we go on needlessly wasting money because the Council of Ministers cannot or will not decide where this Assembly should have its seat?

I make a careful difference between the seat of this Parliament and its meeting or working place. For my part, my choice of meeting place for the Assembly is dictated solely by the practical consideration of accessibility. I do not particularly care where this Assembly meets, provided it meets in a place that is easy to get to and from. As a responsible Member I must be accessible to my constituents, as well as working in a Parliament accessible to me as a Member. This is especially important to those Members who, like myself, live on the very periphery of the Community. In my own case it takes me from 6.30 a.m. until after 2 p.m. just to get to Strasbourg, provided the planes are on time. When I get here I find it almost impossible to get out of Strasbourg at times which suit me best. If some serious political or terrorist happening occurred in Northern Ireland which required my presence at home, then it would take me until the next day to get back to Northern Ireland. When this Parliament meets in Luxembourg, I have to leave the day before if I am going to get to the opening of the part-session for the settling of its agenda.

This epitomizes the inaccessibility of Strasbourg or Luxembourg, and that causes me to believe that in these circumstances these places are not the best meeting places for the Assembly. I know if I were in Brussels and a similar problem faced me, then I could fly to London almost at a moment's notice thanks to the existence of hourly flights. That is the sort of air service that the meeting place of any international assembly, like this one, requires. Therefore, as things stand at present, it seems to me from practical considerations that Brussels must be my preference for a meeting place.

Above all, this issue of the meeting place must be settled and settled speedily, because at present we are wasting time and money at a wholly unacceptable and avoidable rate, and I must say that it seems to me that the resolution before us today needs to be a lot more aggressive and forthright if the progress needed in this matter is to be realized. That is why it must be amended.

President. — I call Mr Pasmazoglou.

Mr Pasmazoglou. — (FR) Madam President, the subject we are discussing this afternoon is an extremely complex one. There are three fundamental considerations that need to be fully taken into account.

The first is the principle of the decentralization of Community activities. Indeed the European Community has to be decentralized, and as Greeks we are keenly interested in any process of decentralization, which can only be a continuous process. I have to say right away that I have the fullest sympathy with the arguments of our colleagues from Luxembourg,

Pesmazoglou

not only for the reasons they gave this afternoon but also because I understand that there are various legal considerations, points of law, that have to be taken into account.

The second consideration is of a social and practical order. The interests of the officials, the interests of the staff, of our assistants, on whose invaluable cooperation we depend so much, must also be taken into account. In fact, the staff, the officials have already stated their position on this matter. I believe that this too should be taken fully into consideration.

The third point is of a political nature. What has hitherto been referred to as a symbol, as a symbolic argument, is in fact a historical and political argument and as such it has considerable weight. To this extent I must say that the arguments offered by Mrs Weiss and Mr Pflimlin were very impressive. I believe the value and political importance of Strasbourg as a seat of the European Parliament are not to be ignored.

It seems to me, Madam President, that our final decision must surely be to support the Zagari motion for a resolution and the proposals of the Political Affairs Committee. On the other hand, I also believe that the points raised by our Luxembourg colleagues must be recognized and compensation awarded accordingly. The principle of decentralizing Community activities would thus be observed.

(Applause)

President. — I call Mr Markozanis:

Mr Markozanis. — Madam President, there are essentially two aspects to the question of the European Parliament's seat: the political aspect and the institutional aspect of practical effectiveness in Parliament's work. It is, in fact, impossible for the European Parliament to work effectively in three cities. Consequently, from the political point of view the conclusions are negative on the question of Parliament's efficiency. Up to now we have put up with this situation but the directly-elected parliamentary assembly must demonstrate its efficiency and vitality. For this reason I agree with the rapporteur that the European Parliament should act accordingly so as to have two places of work — Strasbourg and Brussels. Brussels because Parliament's services will be in an advantageous position since both the Commission and the Council of Ministers have their seat in Brussels and thus they will have the opportunity of direct contact and information. Furthermore, Madam President, we should not forget to stress the convenient airline connections which Brussels has with the other cities of Europe.

Strasbourg so that the custom already established can be continued and so that the European Parliament can detach itself from the Council of Ministers and the

Commission and maintain its autonomy. The European Parliament is not merely a symbol but is the genuine expression of the desire of the peoples of Europe. For this reason, if we keep the European Parliament's seat in three cities in three countries we will destroy its effectiveness. By keeping the European Parliament in two cities we are upholding the symbol which we want the European Parliament to be and maintaining its practical efficiency which our people expect from us.

For these reasons I am completely in agreement with the rapporteur because today this solution is a more realistic one.

In closing, I should like to support Amendments 13, 16 and 31 tabled by our colleagues of different political groups concerning the setting up of negotiations by the governments of the Member States who in the end will decide to fix one single seat.

(Applause)

President. — I call the rapporteur.

Mr Zagari, rapporteur. — *(IT)* Mr President, I will reply to some of the points that have been raised, but very briefly, for the discussion on the amendments is still to come.

I have been deeply struck by some of the things that have been said, such as the notion that the Parliament can be virtually divided between the cowardly and the brave. In my humble opinion, there are neither the one nor the other; there are only responsible Members of Parliament who have come to their own decisions. I say this in order to avoid overdramatizing the debate. I am familiar with the views of many Members, and I am equally aware of the sensitivity of many sectors, which causes a vertical rift within the groups, so that it can really be said that there are no group positions but only positions favouring one solution or another.

We should realize that as a Parliament we differ from our predecessor. This Parliament has 434 members, a staff of considerable size, and different responsibilities in the sense that the old Parliament could use the national parliaments as a point of reference, since we served in both bodies simultaneously. This new Parliament is largely composed of Members holding a single mandate, and the proportion of these Members will undoubtedly continue to increase. These parliamentarians, who no longer have a national base, must of necessity have a European one; that is, a centre which they can consider as focus of their activities.

All of this evidently points in the direction of a single seat for the European Parliament. At this stage I consider that it would be extremely dangerous for the different views to be brought to an open confrontation in Parliament — and I repeat this, having made my

Zagari

own choice — because Parliament's credibility would be seriously damaged.

We must realize that, if we are desirous of solving the institutional problems of Europe — unfortunately the other reports on institutional matters have not yet been given — we must obviously solve the problem of the relationship with the other institutions. These other institutions are, essentially: the Council, which conditions our relations with the governments, our *auctores*, from whose sovereign decision derives the existence of our institution; the Commission, which has unfortunately shown great reserve in this matter, but which should probably have assumed more responsibility concerning this extremely delicate issue. We realize however that everyone has his problems, and the Commission must also deal with those we assigned to it in our mandate of 30 May.

This being the case, I will summarize the impressions I have received from this debate — in which I have been completely open, as if still in committee — in an attempt to include all the possible solutions. I heard the protests from Luxembourg. I feel obliged to say that no one is questioning Luxembourg's political merits; on the contrary, each of us wished to recognize the considerable advantages on the purely political level — as apart from the material one — that a city which has contributed so much to the construction of Europe must obviously possess. None of the members of the Political Affairs Committee suggested otherwise: Luxembourg will have its due. Moreover, the Grand Duchy already has the Court of Justice and the European Bank — this constitutes a very significant recognition of its function. Parliament has no intention of reducing Luxembourg's political and moral role; it simply wishes to have available the means to perform its tasks in a place where these means can be usefully exploited.

I myself was a member of the *ad hoc* Assembly, and I will never forget what Strasbourg has meant to us. I appeal particularly to our British colleagues, who joined the Community only later — and I am among those who fought most vigorously for their accession — and who perhaps have a more pragmatic viewpoint: someone who has lived through many battles and who was often in Strasbourg for European congresses or demonstrations cannot but be aware of the importance that city has had for those who have devoted themselves completely to the cause of the building of Europe.

It would be extremely serious if the European Parliament were to become a kind of arena where competitions would be held among the supporters of one city or another, turning this Chamber into a sort of Siena palio. I certainly do not advocate this, although I am among those who asserted from the beginning that a centre was needed where Members of Parliament could be truly at home, escaping from the 'uprooted' situation which is now their fate.

I believe it is necessary, therefore, to pool our forces in order to present to the governments — if only in interlocutory form — by means of an extended and thorough discussion in this Chamber, a picture of the situation as it really is, and of the feelings of the Members, in the hope that the governments will understand that the European Parliament wants to participate in the institutional question and contribute to its solution with the weight of its own experience.

I am not unhopeful that, with time, this result can be obtained; it will be necessary nonetheless to exercise a fundamental political virtue, patience.

President. — The debate is closed.

The motion for a resolution will be put to the vote at 5.30 p.m.

4. Institutional relations

President. — The next item is a joint debate on: a motion for a resolution, tabled by Mr Abens and others, on the setting up of an *ad hoc* committee to draw up proposals concerning the progress and development of the Community (Doc. 1-889/80/rev.);

the report by Mr Hänsch, drawn up on behalf of the Political Affairs Committee, on relations between the European Parliament and the Council of the European Communities (Doc. 1-216/81);

the report by Mr Diligent, drawn up on behalf of the Political Affairs Committee, on relations between the European Parliament and the national parliaments (Doc. 1-206/81);

the report by Mrs Baduel-Glorioso, drawn up on behalf of the Political Affairs Committee, on relations between the European Parliament and the Economic and Social Committee (Doc. 1-226/81);

the report by Mr Van Miert, drawn up on behalf of the Political Affairs Committee, on the right of legislative initiative and the role of the European Parliament in the legislative process of the Community (Doc. 1-207/81); and

the report by Lady Elles, drawn up on behalf of the Political Affairs Committee, on European political cooperation and the role of the European Parliament (Doc. 1-335/81).

I call Mr Spinelli.

Mr Spinelli. — (*IT*) Madam President, on behalf of 180 Members of differing political attitudes and national origins, I request this Assembly to approve the resolution entitled 'The creation of an *ad hoc*

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committee to present proposals on the state and the evolution of the Community.'

This request does not stem from an impulsive irritation occasioned by the difficulties now assailing the Community. It is no mere improvisation; the parliamentarians of the 'Crocodile Club' began to study its terms a full year ago, and during that year the discussion has extended far beyond the confines of the Club, provoking support, uncertainty, meditation, and investigation. Nor is our request premature, for exactly two years have now passed since the elected Parliament began its work, and each of us has had an opportunity to explore the possibilities offered by the European structures as they are today: their limits, the profound and growing contradiction between what the Community should be and what it is. Finally, this request is not overdue, for nearly three years still separate us from the next European elections: time enough to enable ourselves to face the electors' judgment without being obliged to admit to them that we have only expressed 789 opinions on a wide variety of issues, and that very little attention was paid to any of them. In such a case what would we deserve but indifference?

Now, as we prepare ourselves to vote upon this resolution, voices are being raised — and have been for some time — insistent and authoritative, proclaiming the need for new Community tasks: a much greater social commitment, a vigorous common policy to combat unemployment and inflation, a strong effort to fight hunger and encourage world development, a common monetary policy more uniform than that operative in the first phase of the EMS, the return to the project of a political union enabling us to contribute towards establishing world peace and to pursue the common foreign policy upon which our security should be based. And with this the list of tasks to be accomplished is by no means complete. It is not an awareness of the Community's new tasks that is lacking. What is lacking is the ability to deal with them effectively at the proper time; often it is impossible to deal with them at all using the Community institutions as they exist today.

At this moment, a crucial one for Europe and for our Assembly, this resolution calls upon us to decide whether we of the European Parliament, in the name of the peoples of the Community who elected us, are able to assume the responsibility of discussing, drawing up, voting upon, and presenting for ratification by the constitutional bodies of each Member State a draft treaty containing the outline of the Community's new tasks and the institutional reforms they imply. If Parliament lacks the courage to assume this political responsibility now — without losing too much time, without vacillating — the issue of the reform of the various treaties and conventions concerning European unification, an issue that cannot long be avoided, will of necessity be referred to others, to the diplomatic services of the Member States, who

will doubtless once again discover that intergovernmental cooperation is uncertain and almost completely unproductive. Parliament would be left with a futile role: that of expressing opinions and then complaining because the diplomats pay no attention to them.

If we do assume this responsibility, as I hope we will, we must do it in the knowledge that we are merely indicating the beginning of an initiative which will join all the others, be conducted like the others, and share their melancholy fate. In approving this resolution, we must be aware that we are starting a fresh new chapter in the life of our Assembly, that we are initiating an audacious political action which will be long, complex, and difficult, and which will not exempt us from pursuing our current activities, although it reaches far beyond them.

In order that this new chapter may bring success, we should first of all seek increasingly to involve the efforts of the entire Parliament. For this reason we request that a new parliamentary committee be created, a committee which, irrespective of its final appellation, will deal only with this issue. The committee will eventually present interim reports calling upon Parliament to decide among the existing options and to seek, through broad debates, the widest possible consensus, so that each of us may be fully aware of everything contained or implied in the project of reform when the final vote is taken.

In the second place, in order for this initiative to succeed it must be extended beyond the confines of this Chamber. There must be frequent meetings between the *ad hoc* committee and the Assembly to inform public opinion and to involve each political group and each of us as individuals. We parliamentarians, then, knowing that we will eventually be presenting a formal request to the Member States, will feel a political obligation to exert pressure on our parties and national parliaments to win their support for our proposal.

I am sure that in this Parliament there is a large majority in favour of the institutional strengthening of the Community, a majority which cuts across all national and political groups and which must find self-awareness through this effort. However, there are also those who oppose it. These Members as well must and shall have the opportunity to express their views through our procedure. For the first time the debate on Europe will no longer be restricted to a small minority; it will become instead a central theme of European political life. Our peoples will finally be able to decide, through methods of democratic participation and not through the initiative or obstructionism of one government or another, whether or not they will proceed with European unification.

I ask you to give the calendar of our initiative your careful consideration. If we begin work in the next few

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months with the least possible delay, the final draft of the reform programme will be ready in a year and a half or two years. In the course of the last year of our parliamentary mandate we will present the project to the Member States for ratification; it is inconceivable, however, that it will be ratified within the same year. The second European elections will therefore be above all an appeal to the voters not only to elect the Members of the European Parliament but also to make known to the national parliaments whether the popular will is favourable or unfavourable to the ratification of the treaty submitted to them by our Assembly. This, ladies and gentlemen, in its true dimension, is the democratic battle for the construction of Europe in which our resolution invites your participation.

Several amendments have been presented. Amendment number 3 by Mr Israel and Amendment number 10 by Mr Price are unacceptable, because they alter the very aim of the resolution. Mr Israel would postpone everything until after the next elections, and Mr Price replaces a reform to be ratified with a suggestion to be given to the Member States regarding their short or long-term policy. Except for these two amendments — and some others which will be included in broader ones or withdrawn — the changes proposed appear to me to be acceptable: in particular I favour the amendment proposed by the Christian Democratic Group and the minor amendments proposed by the Socialist Group.

When you vote on the resolution and the amendments, I beg you to remember that a project like this one demands the participation of all the great political families of our countries, and that each one must contribute its legitimate claims to the final agreement. Let us not, however, lose sight of our goal, the final synthesis to emerge from the present initial stage, where we must adopt a procedure which excludes no one and at the same time permits vigorous action. I appeal to you, therefore, to be wise and to have a sense of proportion, for only in this way can we be strong.

(Applause)

President. — I call the rapporteur.

Mr Hänsch, rapporteur. — *(DE)* Madam President, ladies and gentlemen, let us make it absolutely clear from the outset that the object of the report on relations between the European Parliament and the Council is to strengthen Parliament's influence over the Community's decisions. How else could a directly-elected Parliament think and act?

The achievement of the objectives set in this report would help the majority of the Members of this House to keep a promise they made during their campaigns for the votes of the citizens of Europe. We promised

the electors progressively to increase the influence and rights of the first directly-elected European Parliament. Let us take a first step in this direction by a large majority today. Let us take it with respect to the considerable number of reports on institutional questions now before us. I am happy to have been asked to deputize in this debate for Mr Van Miert, who is unable to be here this afternoon. I would therefore ask you to regard my comments as the presentation of his report as well as my own.

Our reports, ladies and gentlemen, show the governments a practical way of keeping the promise they made in 1974, when they undertook in Paris progressively to transfer new powers to Parliament, particularly in the legislative sphere. We wish to remind them of this undertaking, and we shall not cease to call on them to honour it.

I should like to refer to the essential point raised in this report, without getting bogged down in details. The report has several chapters. The first is devoted to efforts to improve the flow of information, the dialogue between Parliament and the Council. Parliament cannot effectively perform the tasks conferred on it by the Treaty — exercising control over the Commission and Council, stating its views on proposals for legislation and international agreements and also its newly acquired right to be involved in decisions on the Community's budget — if it is not properly informed about the work being done by the Council and Commission, about work planning, about the state of discussions and the progress made in deliberations on proposals for legislation. The Council is always a few steps ahead where information is concerned. It not only has better sources of information: it is also in an incomparably better position to know what stance its institutional adversary has adopted. We of the European Parliament meet, as it were, in the open market, and that is how it should be. The Council is invited to committee meetings and, under the Treaty, has the right to speak in Parliament. But Parliament has no access to the Council's discussions.

Ladies and gentlemen, it was once said that the Council is the only legislative body in the Western world that takes decisions behind closed doors. That is why we need a continuous dialogue with the Council and Commission. We have to admit that there have been some improvements in this area in recent years. But better use must be made of the existing channels. We therefore propose improvements with a view to achieving a genuine political debate, for example after the President of the Council has made his inaugural speech, to receiving more thorough answers to parliamentary questions and to improving the means Parliament has of exercising control and the dialogue between the Council and the committees of this House.

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Consultation, Parliament's oldest right to a say, its right to state its views on the Council's decisions, to be consulted, in other words, can and must be extended. The right to be consulted has very little meaning if the Council regards obtaining Parliament's opinion as a meaningless formality, but it can mean a very great deal if it treats this opinion as an essential element that influences the decision it takes.

It has it in its power to do this, ladies and gentlemen. There would be no need for amendments to the Treaty. As a Parliament, we therefore call in this report for a number of practical improvements in the consultation procedure. The Council should always consult this House, even if the Treaty does not expressly require it to do so. It should make Parliament's opinions known to the member Governments before final positions are adopted. Before taking its decisions, it should wait to hear Parliament's opinions and take them into account. It should ensure that Parliament is genuinely able to state its views on the final version of a proposal for a decision, and it should give its reasons for deciding differently, so that we then all know what those reasons are.

As regards certain legal acts, namely those involving appreciable revenue or expenditure for the Community's budget, Parliament's newly acquired right to be involved in the decision-making process has been joined by the right to seek conciliation. If the Council wants to depart from Parliament's opinion, the two institutions must meet in a conciliation committee and try to reach agreement before the Council takes its decision. Obviously, this does not yet mean that Parliament is involved in the legislative decisions, but it does open the way for it to influence the content of Council decisions.

This conciliation procedure can become the main hinge of the relationship between the Council and Parliament. It would make a great, constructive contribution to the relaxation of the tension between the Council and Parliament. We are still a long way from models that work successfully at national level, such as the *Vermittlungsausschuß*, or mediation committee, of the German Bundestag or the Committee of the Whole House in the United Kingdom.

But we can propose a number of improvements involving, for example, the extension of the sphere of application of the conciliation procedure, because the limit that has been imposed in the past has proved to be impracticable. There are many disputed cases, and while the Council assumed in a statement during the negotiations on the introduction of the conciliation procedure that the institutions would be unlikely to differ on this point, practical experience has shown that this is not so.

Secondly, the conciliation procedure must be such that a dialogue actually takes place and that a meeting of

the minds is achieved as intended. Another central issue dealt with in this report is the budgetary procedure, an essential area of relations between the Council and Parliament. This concerns money, expenditure, and Parliament obtained its first decision-making powers in this area in 1970/75. Now, of course, the budget is a special area, which is why this report respects the competence of the Committee on Budgets and does not make any specific detailed, practical proposals. At the same time, the budget is a highly political matter, where the general institutional aspects are concerned. It is an experimental area, in which lessons are to be learned from success or failure. For this reason, the report refers to and reaffirms Parliament's position on the maintenance and necessary extension of its legal position as part of the budgetary authority.

There are two reasons for this, ladies and gentlemen. Firstly, it is essential for democratic reasons that Parliament's budgetary rights should be maintained. We should not forget that Parliament was granted its budgetary rights when the Governments decided to replace the old system of Member States' contributions, which were partly determined and controlled by the national parliaments in their debates on the budget, with the new system of own revenue. This new system of own revenue must be subject to the democratic involvement of the European Parliament in the decision-making process.

Secondly, Parliament can decide what appropriations are to be entered in the 'Energy and research' chapter, for example. But in so doing, it sets the priorities as it sees fit, for instance by allocating more money to the development of alternative sources of energy.

But under the present procedure, the Council can simply reject all this. It can simply enter in the regulations the precise amounts to be spent on certain projects, thus undermining the rights of our Parliament to a say in decisions on the budget.

The last main theme of this report is the work for the Council itself. The Council is, as it were, the eye of the needle in the Community. If the central decision-making body does not work efficiently, is not willing to take decisions, the whole Community suffers, and our efforts as representatives, as the European Parliament, are also unsuccessful. That is why this report must raise a number of important points regarding the internal structure of the Council and its working methods.

I should like to pick out and underline two points in particular. Firstly, the Commission must be restored to the position of executive authority for which the Treaty provides. The Council is suffering in the present situation, because it is increasingly taking implementing decisions that would be better and more effectively taken by the Commission. It has assumed so much power over the years that it is now incapable of

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movement. The Council does too much, and it also wants to do much. We must therefore warn against the insidious erosion of the competence of the Commission and thus of this Parliament.

Secondly, we call for a return to majority decisions in the Council as the general rule for its decision-making process. The effect of the *de facto* principle of total unanimity even on matters of minor importance – according to the President of the Commission, the principle of unanimity in decisions taken is called for seventeen times per meeting – is, not least, to reduce the weight we carry as a Parliament.

Now we also know that, as the Community is constructed today, no Member State can be – nor I would even add, must it be allowed to come to this – outvoted on issues of really vital importance. That is the crux of the 1966 Luxembourg agreements. The encouragement of unanimity in line with the Luxembourg agreements is not, in our view, fundamentally harmful. But unanimity was originally intended to be the exception and has meanwhile become the rule, and that must be changed if the Community is to function properly again.

Some may have wished this report and the van Miert report to cast their nets further. But in many cases they can be cast more accurately over a shorter distance, and the Political Affairs Committee therefore considered it important to be detailed, precise and realistic in its demands and for it to be possible to establish whether these demands had been met. This report must be seen as a whole. It can only achieve its objective of increasing Parliament's influence if it is not dismembered, but viewed and achieved in its entirety. It is a realistic report, and let no one confuse realism with resignation here. It is confined to what can be done up to 1984, the year of the second direct elections to the European Parliament.

We must be able to show that we have actually achieved something. But this will automatically mean the dropping of all demands for an amendment of the EEC Treaty. This is also the political line the Political Affairs Committee has followed. To be realistic, the Treaty could not be amended by 1984, even if that was what was wanted, because the time is too short for the ratification procedures of the national parliaments. This does not, of course, mean that we of this House and of the Community at large will permanently drop our demands for a revision of the Treaty of Rome. We are simply confining ourselves to what can be achieved by 1984.

There are critics, who must be taken seriously, who believe – and say – that democratic control of the Community must be primarily exercised through the national parliaments, because they are able to exercise far more direct control over the Governments represented in the Council. We must take such reflections and such criticism seriously.

It is legitimate to ask whether our attempt to increase the influence of the European Parliament would not, if successful remove some influence and decision-making powers from the national parliaments.

We are not trying to take anything away from the national parliaments. All we want is a say, in accordance with democratic and parliamentary principles, in those areas in which control was removed from the national parliaments to the European level long ago. For a very long time now far more decision have been taken in Brussels than the national parliaments could possibly imagine. Let me explain this briefly, taking the Federal Republic of Germany as an example.

In the last two and half years the German Bundestag has received over 1 800 proposals for directives and recommendations from the Commission and Council. Only 106 of these have been discussed by the plenary of the German Bundestag, because the national parliaments do not as a rule have the time or the means to examine and check the multiplicity of European decisions. Furthermore, over 60 of the 106 decisions debated in the Bundestag had been announced in the *Official Journal of the European Communities*, even before the German Parliament could deal with them. It is thus clear that the national parliaments are no longer exercising democratic, parliamentary control in this respect, without there being an equivalent procedure at European level. And that is what we want, and in no way do we want to take something away from the national parliaments.

A final word on the political significance of this report, as I and also the majority of the Political Affairs Committee see it. If this report is adopted, we shall make it impossible for the Governments to use an excuse they have frequently used in the past, the alibi they have sought in the Treaty. When we demand more rights, we are all too often given to understand that, of course, we should have them all, but unfortunately the Government of X or Y will not agree to an amendment of the Treaty. I believe the strength of this report lies in its modesty. The Governments would no longer be able to argue that something cannot be done because the Treaties would have to be amended, and as a Parliament we would be in a stronger position. This is, as it were, the last chance to change and improve something as the Treaties now stand. If these reports are not adopted, there will certainly be no further opportunity to increase Parliament's influence in the Community.

But then the question must be whether, with the lack of powers that is a feature of this Parliament, we directly-elected Members can face our electors in Europe a second time.

Why all this talk when it 'only' concerns institutional matters? Unless the question of institutional responsibilities in this Community is settled, there can simply be no better cohesive policy in other vital areas of the

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European Community. We cannot shirk this issue. There will be no solidarity in the economic sector, in agricultural policy or in policy on steel unless we arrange the instruments so that decisions are taken in the Community. We must make suitable instruments available for the creation of policies of substance in Europe.

Ladies and gentlemen, I shall conclude with a reference to Abbé de Saint Pierre, who wrote a famous treatise at the beginning of the 18th century, the *Treatise on Eternal Peace*. In it he described one of the first plans for a supranational order in Europe. The treatise was forwarded to Frederick the Great, who wrote to Voltaire that it was a very practical proposal and if it was succeed, all that was needed was Europe's approval and a few other minor details.

Ladies and gentlemen, let us make every effort to ensure that Europe approves these reports.

(Applause)

President. — I call the second rapporteur.

Mr Diligent, rapporteur. — *(FR)* Madam President, the report which it is my privilege to introduce was originally to have been presented by our colleague Mr Nothomb who wrote the first draft and to whom I owe a dept of gratitude. He was especially well-qualified for the task, being a Member of both this Parliament and the Belgian Parliament, but he has been called to ministerial office and has had to leave us, which is how the report has fallen on me.

Our object today, as you have seen, is to consider ways of improving relations between the European Parliament and the national parliaments. It is a fact that the problem was a very different one before this Parliament came to be elected by universal suffrage. This development was undoubtedly a positive one, as all of you are aware. But, at the same time, it did carry with it an element of risk, the risk being that the national parliaments and the European Parliament, each working on its own, might find that they were pursuing quite a different course. As I see it, there are a number of reasons for this.

The first is the gradual disappearance of the dual mandate. In the past the dual mandate was the invariable rule. Your Parliament was composed of Members who already held a national mandate. At the present time, according to our statistics, only 23% of Members of the European Parliament hold a dual mandate and this figure is likely to go on falling. Some look upon this as a favourable trend, others not. I should have liked all the great names in European politics to be able to come together in this House and by their presence enhance the prestige of this Parliament. There are still some left, thank God, but for

obvious practical reasons they will become fewer and fewer. The other day I was reading a book by the new President of the French Republic, Mr Mitterrand, a book published last October, in which he gives his reasons for resigning from this Parliament. He regretted having to do so because, as he writes — pleasant surprise — 'they do their share of work there', adding that unfortunately 'the pressure of work on a politician is such that it will be increasingly difficult for anyone to be a member both of his own national parliament and of the European Parliament'. He also goes on to say that something could perhaps have been done, by a system of substitutes, to ease the situation; but no agreement or viable solution could ever be reached. Many people, many observers still believe that this figure of 23% will fall to 10 or 5%. There is in fact one Community country where the rule of the dual mandate no longer even exists.

The second reason is that methods of election differ. In France, for example, we are the only ones, together with the President of the Republic, to have been elected by the French people as a whole. We are naturally proud of this fact, but there are also risks attached to it: you could have the situation of a vote, in the same country, at different times, for different parliaments, at a time when public opinion may have swung the other way; there is the risk of legislation being blocked, the risk of rivalry, the risk of each being in ignorance of what the other is doing.

I would add a third reason, which is not anything new. Whilst European problems are by their very nature our concern, the national parliaments are also called upon to debate identical problems and even to carry them through to a solution; but these national parliaments and our Parliament do not have the same powers or the same terms of reference. There is a great danger therefore of national parliaments and the European Parliament losing the source of contact and understanding that they had in the past by the very nature of their mandate. There is a great danger of the European Parliament finding itself isolated or, as some would say, of living a kind of ghetto existence.

Aware of this danger, these possibilities, the Subcommittee on Institutional Problems and the Political Affairs Committee have thought up a series of measures to try to resolve the difficulties and lessen their impact. To this end, drawing inspiration from previous work done in this area, we have drawn up some practical measures with a view to strengthening the bonds, bringing the activities closer into line and improving the facilities available to us. Shortage of time prevents me from going into detail but I will summarize them under two or three broad headings.

Purely from the point of view of facilities for Members, I have to say that a number of Members of this House do not have access to the most essential services, not even to the library of their national

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parliament. This is a disgraceful state of affairs, it is quite intolerable and even humiliating to those concerned.

On the information level, the information bureaux of the European Parliament have hitherto had their eyes on the general public. We should like to see greater emphasis on exchanges of information with the national parliaments.

As regards the coordination of services in the area of research, in this information age, this age of high-speed communications, it is only common sense — and indeed this should have been begun a long time ago — that there should be a much more sophisticated system of technical coordination between those responsible for such research in this Parliament.

As regards cooperation, my colleagues are calling for an increased level of contacts. As you know, there are already annual meetings of the Presidents of the European and national parliaments. One would like to see contacts between the chairmen and rapporteurs of the committees of the national parliaments and of the European Parliament. An excellent step was taken last year by the chairman of the Committee on Transport, Mr Seefeld, who established contact with the chairmen of the transport committees of the national parliaments. Such cooperation is full of promise and it is to be hoped that other committees will follow this example as and when the need arises.

Finally, and this is an experiment that has already been tried by various parliaments, the relevant committees of the national parliaments should invite specialists from the European Parliament to sit with them, but without voting rights, of course. This has already been tried in Belgium, I believe, and in other countries.

In conclusion, let us not forget that parliamentary life in Europe does not consist of parliaments as such but also of committees. In this connection, the Political Affairs Committee hopes to see greater cooperation between the political groups in our Parliament and the national parliamentary parties, with positive encouragement being given to any such initiatives.

To summarize, this report is not in any way revolutionary, nor could it be. Its main aim is to bring about a change for the better in the way the European Parliament is regarded, to ensure that it is given greater consideration, enjoys the respect which is its due and can function more effectively. We have, as I said just now, the unpleasant feeling of living in a kind of ghetto, of being too often ignored not only by the media but also by our colleagues in the national parliaments. We have no intention of being treated like lepers and living as if on another planet. We are the legitimate representatives of the will of the people. We shall not overcome this state of isolation overnight, but only by a series of positive steps which it is up to

us to set in motion. That is the essence of the report that I have pleasure in submitting to you on behalf of the Political Affairs Committee.

(Applause)

IN THE CHAIR: MRS VEIL

President

President. — Since it is now voting time, the joint debate is suspended. It will resume during tomorrow's sitting.

5. Votes¹

President. — The next item is the vote on two motions for resolutions. We begin with the resolution moved in the Zagari report (Doc. 1-333/81): *Seat of the Community institutions.*

I call Mr Pannella on a procedural motion.

Mr Pannella. — *(FR)* Madam President, Rule 84 concerns procedural motions on admissibility. We are coming to a vote which, like any vote, but more than any other vote raises — as we saw this morning — a good many legal points having a direct bearing on the Treaties and their interpretation.

Now, as I understand it, Madam President, this Parliament has never at any time been fully informed of the decisions adopted unanimously by the European Council on 30 June 1981. I believe we should take note of this fact before proceeding with the voting. Until such time as the Council, or you yourself if you wish, Madam President, acquaints us with the substance of the unanimous decision of the Council on 30 June, I do not believe we can reasonably be expected to proceed with the vote.

President. — Mr Pannella, the debate has already taken place, and there can be no questions prior to the vote. You could have put a question prior to the *debate*. As to the communication from the European Council there has been an official communication which everyone could read in the newspapers. I have

¹ The Verbatim report only records those parts of the voting procedure which give rise to interventions. For a detailed account of voting, please refer to the Minutes.

President

not received from the European Council any communication to be made to Parliament. If that had been the case, you can be sure that I would have done so. I have been apprised unofficially of certain discussions and I have also read in the press the communiqué of the European Council.

Mr Pannella. — (FR) Madam President, you have just given us a very valuable piece of information that we did not have before, namely that the European Council which on the evening of 30 June issued a press statement to say what decisions it had taken in this context, has still not to this day laid any information before Parliament. The Council has to be congratulated, Madam President, if indeed it is true that everyone, even the press, knows all about a decision such as this while Parliament itself has had no communication whatsoever!

President. — On the motion for a resolution as a whole I have Amendment No 32, by Mr Møller and Mr Kirk, and Amendment No 29, by Lord Douro and Mr Christopher Jackson.

I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — Madam President, under Rule 79 I ask for a secret vote on Amendment No 32 and Amendment No 29.

President. — I would point out that under Rule 79 one-fifth of the Members of Parliament, or 87 persons, must be present in the chamber.

I would therefore ask for 87 people to rise to confirm the request for a secret ballot.

(More than one-fifth of the Members present rose)

I call Mr Galland.

Mr Galland. — (FR) It is too late, Madam President. I wish to request a roll call on the application of Rule 79 by virtue of Rule 77 of the Rules of Procedure so that those who desire that a decision such as that which is to be taken by Parliament be secret, shall take official responsibility *vis-à-vis* their electors.

(Applause from various quarters)

President. — Mr Galland, I am not too clear about what procedure you are referring to. We asked for verification of the number of persons requesting a secret ballot. There is no reason to vote on the request for a secret ballot. Once there is a sufficient number, a request for a secret ballot takes priority over a request for a vote by roll call.

Mr Galland. — (FR) The Rules of Procedure have been applied strictly. Had it been otherwise I would have spoken sooner. Although a secret ballot takes priority over a vote by roll call, I think we can apply to it Rule 77 so that those who desire a secret ballot may be known. This is specifically provided for under Rule 78, 'Electronic voting': 'The President may at any time decide that the voting operations indicated in Rules 76, 77 and 79 shall be carried out by means of an electronic voting system'. Now, we have just applied Rule 79, but I shall not press the point. As I have said, it is too late.

President. — Mr Galland, I am not sure about your interpretation and the question will be referred to the Committee on the Rules of Procedure and Petitions.

I call Mr Klepsch.

Mr Klepsch. — (DE) Madam President, my group requested a vote by roll call on Amendment No 32 before the sitting was opened. I should therefore like to ask what has priority when requests are made for both a secret ballot and a vote by roll call.

I should like to make one thing quite clear in this respect: we requested a vote by roll call before the request for a secret ballot was made. That was not mentioned by the President then in the Chair. But that is another matter entirely. The Rules of Procedure at least do not state which takes precedence.

(Interruptions)

President. — Yes it is, Mr Klepsch. On this point the Rules are very clear: under Rule 79(3): 'A request for a secret ballot shall take priority over a request for a vote by roll call'.

I call Mr Macario.

Mr Macario. — (IT) Madam President, I believe I am making a legitimate request in asking that the names of those who asked for a secret ballot be put on record. I wish to appear with those did not ask for a secret ballot, for there is nothing to be kept secret in the choice concerning the seat of the European Parliament. I wish, therefore, to support Mr Galland's request that those who asked for a secret ballot be identified.

President. — No, Mr Macario, there is no express provision to this effect in the Rules and I cannot accede to your request.

I call Mr Edgar Faure.

Mr Edgar Faure. — (FR) Madam President, I am sorry to say that I cannot agree with the way the Rules of Procedure are being interpreted in this case. The Rules say that a secret ballot may be held at the request of 87 Members. This procedure is common to many assemblies. To *request* does not mean to *decide*. The 87 Members make the request and it is the House that decides.

(Applause)

Allow me though to say a few words in my capacity as a former President of the National Assembly and professor of law. I think it is indefensible to say that the majority of the House can be overruled by one fifth. That is not at all the intended meaning of this Rule. What it does mean is that a request for a secret ballot has precedence over a request for a roll-call vote. If a secret ballot were to be requested by only one person then the request would be inadmissible. It has been requested by 87 Members; unless everyone is in agreement the request must be put to the vote. And if the House decides on a secret ballot, then a secret ballot will be held. That not only makes good sense it seems to me, but it is also in accordance with the strictest legal tradition. It is impossible that the majority should be overruled by a fifth of the House on whatever subject.

(Applause)

President. — All questions raised by the possible interpretation of this vote have been discussed at length by the group chairmen and myself, and we felt that, given the wording and the procedure always followed in similar cases in our Parliament, this request was not to be put to the vote if 87 persons had made it.

But we shall submit the question to the Committee on the Rules of Procedure and Petitions.

I call Mr Nyborg.

Mr Nyborg, chairman of the Committee on the Rules of Procedure and Petitions. — (DA) Madam President, our Rules of Procedure seem to be quite clear on this point, there is not the slightest ambiguity. They provide the right for 87 Members of this Parliament to request a secret ballot and it is stated clearly and unmistakably, as you yourself said earlier, in Rule 79(3) that a secret ballot takes priority over a roll call, so I think, as chairman of the Committee on the Rules of Procedure and Petitions, that there can be no doubt of the position in this case.

President. — That is what we felt when we discussed this matter before the debate.

I call Mr Boyes.

Mr Boyes. — Madam President, I have been a representative in many institutions in my time, but this is the first time ever that a minority has probably been able to overrule the majority. That rule is absolutely crazy. I do not understand why you do not ascertain the views of the House on this matter. You may get a majority wanting a secret ballot, but at least you should put that to the vote.

President. — It is not a question of the minority imposing its will on the Assembly, but the Rules of Procedure.

President. — I call Mr Schieler.

Mr Schieler. — (DE) Madam President, ladies and gentlemen, I refer to the clear wording of Rule 79 of our Rules of Procedure. Although this lays down that a secret ballot takes priority over a vote by roll call, it also says: 'Voting may also be by secret ballot if requested by at least one-fifth of the Members of Parliament.' Voting *may* be by secret ballot, not it *shall* be by secret ballot. Whether or not a secret ballot is taken depends on whether the request has the support of at least one-fifth of the Members of Parliament. There is no other way to interpret the Rules of Procedure.

(Applause)

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — Madam President, the one thing which will ensure the disintegration of any parliament is refusal to accept the rulings of the chairman or president. You have given your ruling clearly and explained how well-based it is. Trying to get you to alter a ruling properly given can only bring this Assembly into contempt, and this is a line that ought not to be pursued. You have given your ruling. The Assembly must act upon it.

(Applause)

President. — I call Mr Irmer.

Mr Irmer. — (DE) Madam President, I naturally accept your interpretation of the Rules of Procedure, but I would ask to go on record as saying that I was opposed to the secret ballot, and I should also like it to be known how I voted in the secret ballot. I quite appreciate that the rights of the minority must be protected and that 87 Members should therefore be able to force us to vote by secret ballot, but do not understand why I should then be forced to conceal from the public how I have voted.

(Applause)

President. — I call Mr Peponis.

Mr Peponis. — The opinion of the Greek Socialists is that no rule of the Rules of Procedure can be interpreted in such a way as to transgress the basic and fundamental principles governing the proceedings of a genuine parliament. Our prime duty and our prime obligation is to be able to be accountable to the electorate which sends us to parliament and the only way for us to be accountable is to vote openly.

If this right is taken away from us, if we are not allowed to demonstrate to the people who elected us what our opinion is, then we should at least tell these people that the majority has voted in this way.

In any case it is not possible for you to take away, without a majority vote, our right to speak clearly and openly so that the people know what our opinion is on any given issue.

It is with this in mind that the Greek MPs of PASOK want the majority to decide if you will take away our right to tell the people what our opinion is on any issue.

President. — Mr Peponis, the Rules of Procedure were voted by the majority and I apply those Rules.

I call Mr Collins.

Mr Collins. — Madam President, I am really intrigued by the posturing that is going on at the moment. People are claiming that, somehow or other, this is a new procedure and claiming that it is inconsistent. It has never stopped a minority of the people here calling for a roll-call vote, electronic votes, and for all kinds of votes. In fact only a handful of people can dictate policy. Why claim that this is inconsistent with that? It is patently not, so let us get on with the vote and abandon the three-ring circus.

(Applause and cries of 'Hear! Hear!')

President. — I call Mr Klepsch.

Mr Klepsch. — *(DE)* Madam President, I believe we have now taken a far-reaching decision. In future a secret ballot will always take place when 87 Members so request. I am afraid this will not have very favourable implications, but that is the way it is, and we should therefore abandon this pointless debate on the Rules of Procedure.

President. — Our Rules of Procedure provide that a roll call is held when a political group or 21 Members

so request. We have never called into question this decision. The same is true for a vote by secret ballot.

If some people feel that the possibility of a vote by secret ballot should be removed from the Rules, they should refer the matter to the Committee on the Rules of Procedure and Petitions.

I call Mr Møller.

Mr Møller. — *(DK)* Madam President, it seems to me that your interpretation must be the correct one. Secret ballots are recognized in all our countries not as a way of protecting the majority, not as a majority right, but as a means of protecting minorities, and if a minority of a certain size asks for a secret ballot, it must have reasons for doing so. Everyone knows my own position — I have explained it, I am the mover of an amendment which will shortly be voted on, so I have no reason for wanting to conceal my own views. But I do think that in all our democratic countries a secret ballot is a way of protecting minorities and not something the majority can deprive them of. Therefore, it is not right to put this to an open vote in the House for this would mean depriving the minority of their right to be protected.

President. — I call Mr Arndt.

Mr Arndt. — *(DE)* Madam President, as members of the Socialist Group have also spoken in this debate on the Rules of Procedure, I should like to assure you once again on behalf of the Socialist Group that you are acting correctly as President.

But I should like to add this: many members of the Socialist Group voted in favour of the secret ballot not because they wish to conceal how they have voted, but because it is an established principle of democracy that if Members — for whatever reason — should wish to vote in secret, the others must attempt to acquiesce. I believe we have had exactly the same situation with various votes by roll call: even though we did not necessarily feel that there should be a vote by roll call, we have nevertheless supported requests to that end.

In other words, I appeal to those who believe they can have a crucial vote taken here. There is protection of the minority in every parliament. Our Rules of Procedure stipulate that 87 Members may request a vote by roll call, and I am opposed to any attempt to accuse them of dishonest intentions. Most national parliaments in Europe provide for precisely this minority right in the form of the secret ballot. Let us not pretend we do not know what the ruling is in our national parliaments.

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — (*FR*) Madam President, I should like those who are 'for' to declare themselves by standing.

President. — You may stand if you wish, but the vote will be held by secret ballot on the two amendments, as requested.

I call Mr Plaskovitis.

Mr Plaskovitis. — Madam President, allow me, respecting your opinion as I do, to endorse the view that the way in which the Rules of Procedure are being interpreted is mistaken because Rule 79(1) explicitly states when a secret ballot can be taken. This secret ballot is taken in the case of appointments. On the other hand, paragraph 2 says that the voting may also be by secret ballot, in other words it provides an alternative possibility, and allow me, for the first time, to draw on my capacity as a former State counsellor to tell you that this wording, without prejudice to Rule 79(1), means that neither Parliament nor you have an obligation to arrange a secret ballot, but you have the option to do so and this option is based entirely on Parliament's decision. On the other hand, and I repeat this, in paragraph 1 where the Rules of Procedure provide for a secret ballot this only refers to appointments. Therefore, I am of the opinion that, regardless of what else has been said so far, the wording of these two paragraphs and the contradiction between paragraphs 1 and 2 support the view that a secret ballot, when requested by a certain number of Members, is not compulsory but rather that it is up to Parliament to decide.

President. — I am sorry, Mr Plaskovitis, but you have not properly read the Rules. Rule 79(1) states: 'In the case of appointments, voting shall be by secret ballot without prejudice to Rule 12(1) and 98(2), second subparagraph'. So in the case of these appointments no quorum is required.

On the other hand, any vote may be by secret ballot if at least one-fifth of the Members present so request.

I call Mr Ferri.

Mr Ferri. — (*IT*) Madam President, I am in total agreement with you regarding the application and the interpretation of the Rules. Considering, however, that everyone knows that the vote on these amendments is essential to the decision we are about to make, I wish to request that we now be given the opportunity to make explanations of vote.

President. — Mr Ferri, Rule 80 expressly provides that explanations of vote must be given before the vote on the final resolution.

I call Mr Baillot.

Mr Baillot. — (*FR*) Just to clarify the voting, Madam President, obviously if there is a majority in favour of Amendments Nos 29 and 32, then the whole text becomes void.

President. — I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — Madam, I want to be quite clear that this House is aware of what is being requested. You only put to the House the request that we should take a secret vote on the first two amendments, Nos 32 and 29. I requested a secret vote on them, but I assume that I am in order not to ask for a secret ballot now on other votes which will come later. However, if you wish me to do it now, I will willingly do so, because I am going to ask for a secret vote on Amendment No 14 and Amendment No 10. Whether you wish me to do it now or later I leave to the chair.

President. — Your request is accepted, but we must first verify whether there are sufficient Members supporting the request.

(...)

After the eighth indent of the preamble — Amendment No 16.

Mr Klepsch. — (*DE*) Madam President, we should like to know who is present. I therefore request a vote by roll call.

(...)

Paragraphs 1 to 5 — Amendments Nos 15, 14, 10, 33

Mr Zagari, rapporteur. — (*IT*) Madam President, I have already given my opinion on these amendments in my reply. They are obviously contrary to the 'philosophy' of the resolution.¹

President. — I would point out that I have been asked by Sir James Scott-Hopkins for a vote by secret ballot on these amendments.

¹ The rapporteur also gave: a *favourable opinion* on Amendments Nos 13 and 17; an *unfavourable opinion* on Amendments Nos 1, 7, 9, 10, 11, 12, 14, 15, 16, 20, 24, 25, 30, 31 and 33.

Sir James Scott-Hopkins. — On 14 and 10 only, Madam.

(...)

After paragraph 3.

President. — I call Mr De Pasquale.

Mr De Pasquale. — (IT) Madam President, I believe that a similar amendment was rejected a few moments ago, and that for this reason the amendment now in question should be considered invalid.

President. — No, Mr De Pasquale, we cannot drop it since it is not worded in the same way. We have to vote on this amendment.

After the rejection of the first part of Amendment No 24

Sir James Scott-Hopkins. — Madam President, should we not take Amendment No 30, which seeks to replace the whole of paragraph 4, before we take the second part of Amendment No 24, which seeks to add something to paragraph 4?

President. — No, do not think that is necessary, Sir James.

(...)

Amendment No 11

Mr De Pasquale. — (IT) Madam President, I pointed out a moment ago that we have voted in different ways on the same material. It seems to me that we are doing this once again. We voted against the Price amendment; we voted against Lord Douro's amendment which said the same thing. Now we are voting on the Hansch amendment which again contains the same idea ...

Madam President, I call your attention to the fact that Parliament's votes cannot be contradictory.

President. — We have considered all these amendments very carefully, word by word, and they are all a little different.

(...)

After the rejection of Amendment No 21

Mr Fergusson. — On a point of order, Madam President. The rest of this paragraph in the original text

suggests that we should in future have our operations in two places: Brussels and Strasbourg, because the last amendment was rejected which would have taken our part-sessions to Brussels; now it suggests that we move to two places effectively. Now, since we have already passed both Amendments No 13, Mr Gautier's one, calling upon the governments of the Member States to comply with their obligation to fix a single seat of the institutions and since, and this is more important, we have passed Amendment No 26, stating our belief and our intention that it is essential to concentrate work in one place, surely the rest of this paragraph must now have fallen in consequence of our passing Amendment No 26?

(...)

After the rejection of Amendment No 3

Mr Prag. — Madam President, for the benefit particularly of the press, the figures which you have been announcing all along as the majority are not the majority at all: the majority in a vote of 132 for and 170 against is in fact 38, and the figure you are giving is the minimum majority.

President. — I am sorry but the figure I give is the number of votes required in each case.

(...)

I can now allow explanations of vote.

Mrs Castle. — Madam President, I shall vote against this report. Today the Parliament has condemned itself to futility. After talking for months and months about the need for the Heads of Government to decide on one seat of the institutions, we have this afternoon thrown away the opportunity to set an example by ourselves. What we have done is to vote for the continuation of the *status quo*, the very thing which we condemned the Heads of Government for telling us at Maastricht we had got to do, and so what we have condemned ourselves to is the continuation of an unnecessary burden on the European taxpayers ... (Applause), the cost of some 16 million pounds a year for merely transporting paper about between the different places where we meet, the waste of time travelling, the lack of opportunity to make proper contact with ministers and with the officials of the Commission. We are continuing to show that this Parliament is not willing to enable itself to do its own work effectively, and I say, Madam President, this vote today was a test as to whether this Community can begin to reform itself. It has proved it cannot, it lacks the political will, it lacks the ability to choose or to act. I shall vote against this report with contempt.

(Applause)

Mr Oehler. — (FR) Madam President, I think, indeed I hope, that we all have the same concern at heart, that is to say the decision on the seat of the European Parliament that must be taken as soon as possible.

The decision must be such as to reduce the exorbitant cost of running our institution and improve the working conditions of Members and staff.

The present rivalry which exists between Luxembourg, Brussels and Strasbourg is altogether deplorable. It is not so much the absence of a seat that gives our Parliament a bad name as this never-ending discussion or the sibylline statements coming out of the summit meetings of the Heads of State. It would be desirable for our debate today to remain down to earth.

Having said that, the problem is mainly a political one and all who seek to reduce it to technical considerations are side-stepping the fundamental question. And the fundamental question is whether Europe should have a parliamentary capital, whether such a capital should symbolize peace in Europe, whether such a parliamentary capital should symbolize the unity of European society. It would be unfortunate . . .

President. — Mr Oehler, as you have now exceeded your allotted speaking time, I am obliged to interrupt you.

Mrs Macciocchi. — (IT) Madam President, I wish to protest against the wilful confusion surrounding this vote. We have voted for and against, yes and no, even when yes and no were applied to the same question in repetitive, identical amendments — and all this in order to arrive at a final text which in my opinion is unworthy of this Parliament, since it is formless, contradictory, and redundant. The amended portions contradict or repeat themselves. We want a single seat, but three places always emerge, like rabbits out of a conjuror's hat. Together with the mystery of the Holy Trinity, where God is at the same time one and three, the 'theologians of Europe' are faced with the mystery of the single seat which is at the same time one and three. We all are in favour of the single seat — I am personally in favour of Strasbourg — but, at the same time, we are still spread about in three different localities. Moreover, Madam President, this text will have no value whatsoever, for, I repeat, on 30 June the Heads of Government of the Member States let us know that even if we 'decide' — and we say that we decide but in reality we decide nothing — the real decision will be to maintain the *status quo*, that these are temporary working places and that all decisions are to be made solely by those who wish this situation to continue.

I vote against the resolution.

Mr Aigner. — (DE) Madam President, ladies and gentlemen, I shall vote for the motion for a resolution for two reasons. Firstly, the legal position is such that, without a compromise, that is, by brute force, it is not possible to take a decision on which the Council cannot reach a compromise. Secondly, the costs can only be reduced if, by taking this decision, we now force the Council to take part in a dialogue and at least succeed in channelling our activities on the basis of a compromise. As chairman of the Committee on Budgetary Control, I feel I must emphasize that this is the only possible course of action if we are really to succeed in channelling our work and thus reducing the costs through a dialogue with the Council.

Mr Kappos. — Madam President, the situation surrounding the seat of the different organs of the EEC not just for years, but for decades, has given rise to deep contradictions and problems existing within the EEC.

This situation is undoubtedly creating problems for the staff and problems of additional expenditure for the budget.

However, in addition to this, Madam President, it ought to be clear that by fixing a single seat for the different organs the organs will become highly concentrated which undoubtedly will strengthen the supranational character of the EEC.

And the situation is much worse in the case of Brussels where NATO's headquarters are based along with its delicate consequences.

Since this motion does not aim to centralize all the organs in the same place, despite the fact that it does not exclude their being centralized in the same place, we shall vote in favour of the proposal.

Mr Collins. — Madam President, I have listened to the various speakers in this debate: I have heard that some colleagues are worried about increasing the powers of Parliament, I have heard that some are worried about forsaking 30 year old traditions and some about failing to represent their constituents, but frankly, Madam President, only that last reason is the convincing one, because that is the only overwhelmingly convincing basis on which we can rest our arguments, for that is what we were sent here to do. It is one thing to increase the powers of Parliament; it is quite another to enable it to carry out its present duties efficiently. I came here because I wanted to vote for one seat — I wanted to vote for Brussels in fact — because this present three-ring circus cannot perform its functions adequately. I think we have failed to grasp that nettle this afternoon and I regret to say that I think some Members have done so quite cynically because they do not want a place to work at all.

(Applause)

Collins

I shall therefor reject this report; I shall reject it whole-heartedly, and I hope that other people will do exactly that for these reasons.

Mr Schwencke. — (DE) Madam President, this explanation of vote is also given on behalf of four other German Social Democrats. Firstly, we are in favour of a single seat for Parliament. We do not consider it sensible to take a decision on this today without having sought genuine conciliation with the Council. We therefore fully endorse what Mr Schieler said and shall vote for the Zagari compromise.

Secondly, we feel that the question of the seat can only be settled in Strasbourg's favour. Not that we do not realize that there is much to be said for Brussels, but the arguments are mostly of a quantitative nature. Strasbourg, on the other hand, is a historic centre in Europe, and this is something of which a wide public is aware. Welcome and peaceful development, initially between Germany and France and then beyond, is associated with this city. To abandon Strasbourg thoughtlessly would be — to quote the Federal German Chancellor — an irresponsible and, particularly for our contribution to the unification of Europe, a disgraceful act.

Thirdly, I would ask those of you who intend to vote for Brussels whether you have ever met anyone in Brussels who would welcome the European Parliament there. Which of you has ever seen the inside of the Brussels Town Hall in his capacity as a Member of this House? We would be making cuckolds of ourselves if we continued to cultivate this strange inclination for Brussels.

Fourthly, this Parliament rightly advocates regional development. We give political priority to the regional policy but want to go to the centre, Brussels, ourselves! Madam President, we shall be making a Cinderella of ourselves if we do not get the press we want.

Mr De Clercq. — (NL) I give this explanation of vote on behalf of Mr De Gucht, Mr Beyer de Ryke and myself. After today's debate we shall vote against the Zagari report, because it in fact confirms the *status quo*, a situation which no one finds satisfactory and which has been condemned on various occasions in various quarters. Our efforts to ensure that Parliament, its Members and staff work in the most effective and economical way will be undermined by this decision. In our view, Brussels is and remains the most sensible solution.

Mr Estgen. — (FR) Madam President, the procedural motion tabled earlier in connection with the matter in hand had the support of the six Members from Luxembourg, a sizeable minority of the Members present. That was a fist warning.

All the Luxembourg Members and quite a few others showed clearly later on in the debate that by taking a decision along the lines suggested in the Zagari report this Parliament was in danger of stepping outside the law.

On a matter where the Treaties call for a unanimous decision by the governments because major interests — in the case of Luxembourg one might even say vital interests — are involved, we cannot replace this unanimity called for by the Treaties by the dictate of an ephemeral majority. That is precisely what the Treaties sought to prevent.

Since the procedural motion was rejected, the Luxembourg Members of all political groups, like good democrats, made a final attempt to introduce legality into the Zagari report by an amendment calling for the decisions of the member governments to be rejected. We think it is unworthy of this Parliament to sacrifice Luxembourg today, and tomorrow Strasbourg. That is why the Luxembourg Members of this Parliament of all political groups will be voting against the Zagari report.

Mr Wurtz. — (FR) We said it this morning: the French Communists and Allies are of the opinion that our Parliament should sit in Strasbourg. This has always been our position. At the same time, we cannot allow an error of judgment to be responsible firstly for leading Parliament into overstepping its powers, for the question of the seat is strictly the prerogative of the governments, and secondly for bringing about a move to Brussels.

We voted against any amendments along such lines which sought to push us still closer towards an undesirable supranationality. On the other hand, we did vote for paragraph 3 of the Zagari report which safeguards the future and leaves Strasbourg as the seat of all part-sessions. Similarly, the most negative amendments calling Strasbourg into question having been rejected, the French Communists and Allies will be voting for the resolution as it now stands.

Mr Fischbach. — (FR) Madam President, this morning in my speech on the procedural motion I had occasion to outline the legal reasons why our Parliament is not competent to discuss either its seat or its working places.

Incidentally, I am not the only one in this House to defend this point of view: no less than 50 of the 160 or so Members present in the House this morning voted for the procedural motion, which means that a significant number of Members of this Parliament had doubts about the legality of the Zagari report in its original form.

It is true that this report was requested in a way that seems to some extent to be more in line with the Trea-

Fischbach

ties and with the decisions taken, in particular the decision of 1965.

Nevertheless, for my part, obviously the procedural motion which I tabled this morning bars me from taking any part in the final vote on this report.

Mr Seeler. — *(DE)* Madam President, I shall vote against the Zagari report. For me this vote is not for or against Brussels or Strasbourg. On the contrary: I have a great deal of liking for Strasbourg, because I feel that Parliament is welcome here.

I have nevertheless always been in favour of Brussels for the simple reasons that Parliament must work in the same place as the Council and Commission. That is the most important requirement if it is to work effectively, and I would vote for any other suitable city that met this requirement.

I shall vote against the Zagari report because it does not contain a clear decision on the place of work. We have always complained in the past that the Council has not taken a clear decision. But now we are legitimizing this decision and we shall have no further cause for complaint in the future. By deciding thus, Parliament is relinquishing its right to be regarded as an equal partner of the other Community institutions. I cannot agree to that.

(Applause)

Mr Ferri. — *(IT)* Madam President, ladies and gentlemen, I would have wished to explain my negative vote when Parliament, by secret ballot, rejected Amendments 29 and 32, which completely replaced the resolution now submitted to our vote.

I make this explanation of vote also on behalf of my group colleagues Messrs Ruffolo and Puletti. We are in favour of the text of the resolution because it affirms an important principle, that is, Parliament's request that a consultation procedure directly associating Parliament with issues which closely concern it be initiated in order to arrive at a final decision regarding its official seat.

We favour the resolution also because it is balanced and realistic in respect to the manner in which work is at present carried out. It retains Strasbourg for the plenary sessions, on the strength of legal and historical reasons which are absolutely justified and which have often been mentioned, and it provides for the concentration of other work in Brussels for practical reasons all of us can understand.

Mr Gondicas. — Madam President, I shall vote in favour of the Zagari report and I also feel obliged to say why I voted against Amendment No 13 by

Mr Gautier and others. Indeed, if we look at the text of the amendment, I am afraid that many colleagues will agree with me that they were misled into voting on behalf of this amendment. I do not wish to analyse the reasons for this now, but I ask you and those other colleagues who voted in favour of the amendment to study the text again.

Mr Colla. — *(NL)* Madam President, we do not need a resolution simply to confirm an existing situation. I believe that Parliament has given away many of its trump cards this afternoon by admitting its impotence. We have lost our trumps to the Council. We cannot blame the Council any longer. All those who constantly complain about Parliament's high spending have also given away trumps cards. The voting has revealed contradictions: on the one hand, we call for a single place of work while, on the other, we adopt an amendment that further strengthens the existing infrastructure. That signifies confirmation of the present situation, not a plea for a single place of work. Perhaps it would have been better to vote in September, and then our colleagues of the EEP Group could have adopted a clearer position when they had solved their internal problems. For all these reasons I shall vote against the resolution in its present form.

Mr Van Miert. — *(NL)* Madam President, ladies and gentlemen, I too shall vote against this resolution, because Parliament has demonstrated its own powerlessness here today and relinquished the right to criticize the powerlessness of the Council of Ministers. I also believe that Parliament has today relinquished the right to be cynical about the costs incurred in the present situation. Above all I should like to refer to an amendment seeking to prevent us from holding committee meetings anywhere in Europe. Parliament really is a travelling circus now: It has not even proved capable of adopting an amendment that would have had us hold our committee meetings at least in one place. I believe that this is ample illustration that it has lost its moral right to preach to others about rationalization and cost-saving. Like Mr Glinne and Mrs Lizin, I shall therefore vote against this resolution.

Sir James Scott-Hopkins. — Madam President, I deeply regret the decisions which have been taken and the votes which have taken place in this House. I think they have made a mistake, and I think we shall regret it. My group firmly believes that a single working place for this Parliament is absolutely essential if we are to carry out our work properly. Having adopted Amendment No 26, I think it is extraordinary that we have voted the way we have, and I think it is a great mistake.

But now we have decided to split our work, increase the costs — this has been the decision of the House up to now — I shall ask my friends and colleagues if they

Scott-Hopkins

will vote against the Zagari report now because I believe it is not in the interests of the House to vote it through. If we lose the vote then quite obviously we shall have to make it work. I passionately believe that this European Parliament of ours has got to be built and has got to continue its work. We have got to make it work. But I sincerely hope that we can in the near future come to a decision either to work in Brussels or to work in Strasbourg but not to split ourselves in two. This is the worst of all decisions, but we have obviously got to make it work, should that be the decision of the House. But I sincerely hope it will not be so, and I shall ask my honourable friends to vote against the resolution.

Lord Douro. — Madam President, I will follow the advice of the leader of our group and vote against this motion for a resolution. It is the worst possible outcome. We have voted for the *status quo*. Although I should like to see us in Brussels, and I have voted for those amendments, nevertheless I would have preferred to see us at least in one place and that would have been better than what we have ended up with. Having passed Amendment No 16 by Mr Fergusson and my Amendment No 26 the motion is contradictory. It will make us look absurd and I hope that those who are about to cast their vote realize that they are voting for something which is so contradictory.

Mr Kirk. — (DA) Madam President, in the two years I have been a Member of this Parliament, I have often heard Members reproaching and criticizing the Commission and the Council for not being able to take clear-cut decisions. Unfortunately I find that today, which is so decisive for Parliament's future work, we have ended up doing precisely what we criticize the Commission and the Council for. I especially deplore the way in which the Christian-Democratic Group has voted today and I am very sorry that the House has been unwilling to look at the very considerable problems which Parliament has to contend with as a result of having different meeting places and the heavy financial burden we impose on our taxpayers. I will therefore do the same as my group, among others, and vote against this resolution, because I consider it preferable not to produce an opinion at all rather than produce an opinion which can be interpreted in all sorts of ways and which does not solve the problems which we have to contend with.

(Explanations of vote in writing)

Mrs Boserup. — (DA) The voters who supported the Socialist People's Party in direct elections to this Parliament certainly did not intend that they should take part in an exercise like this, splitting hairs over which town can best serve as the base from which Parliament can build itself up into a position of power.

So long as Danes have to put up with EEC membership, it is our aim to oppose every attempt to increase Parliament's powers.

The Zagari report states that the seat must be decided by joint consultation between Parliament and the national governments. This is an attempt to give it a say in a decision which rests with the Council alone.

Therefore I intend to vote against the Zagari report.

If the Danish Government must express an opinion one day about the question of the seat, we shall advise it to consider which solution would ensure

1. the least waste of money from moving and building more prestigious buildings, and
2. the greatest likelihood of sound financial management in the coming years.

Mr Provan. — I will abstain as the report states the *status quo*. We must have one place of work for plenary sessions and committees.

I passionately believe that we must build our Parliament as an institution and that the institutions of the Community should be spread within the Community, not centralized as a move to Brussels for plenary sessions would mean.

Mr Purvis. — I will vote for the Zagari report as it is a major step forward. We will henceforth have Brussels as the main working place with the secretariat moved there, but still retaining Strasbourg, as symbolic of European peace and reconciliation, as a meeting place for plenary sessions.

However I must point out the cynical way in which certain British Labour Members voted — in particular the Member from Glasgow. They voted destructively with the clear aim of disrupting the work of the Parliament. They in this way show their true colours and their constituents should consider carefully whether they in any way justify their roles as representatives. I suggest they scrutinize their MEP's work and actions on their behalf and demand explanation.

(Parliament adopted the resolution)

President. — The next item is the vote on the motion for a resolution contained in the Fischbach report (Doc 1-321/81): *Waiver of the parliamentary immunity of a Member*.

President. — I call Mr Marshall for an explanation of vote.

Mr Marshall. — Madam President, having listened to this debate yesterday, I can see no good reason why our colleague should be granted immunity from prosecution in this matter.

(Interruptions)

I believe that no-one should be above the law, and that equality before the law is a principle that many hold dear. The rule of law is the sole guarantee of democracy and no democrat should seek to be immune from prosecution.

In this particular case we are dealing with an allegation of the misuse of public money. And I believe that it is particularly inappropriate that a Member of this House should receive immunity from prosecution in a case that deals with the misuse of public funds, because the right use of public money is something for which this House ought to stand.

(Cries of 'Hear, hear')

President. — I call Mr Tyrrell for an explanation of vote.

Mr Tyrrell. — Madam President, my group considers that this is a matter which each Member should decide

for himself. There is thus no group position. Every Member will make up his own mind on a matter concerning a private Member. Now, as far as my personal position is concerned, I shall abstain. The Member concerned has the protection which she would have if she were a member of the Bundestag. The vital question therefore is: what would the Bundestag have done in this situation? Now, on that matter one obviously looks for guidance to our German colleagues. German colleagues from three groups gave the Legal Affairs Committee their guidance on the matter, and on that basis one feels that one should accept that, and I accordingly — although I do not like parliamentary immunity as a matter of principle — shall abstain in this particular case.

(Parliament adopted the resolution)

President. — Before closing the sitting I should like to thank all those staff who have kindly enabled us to continue our work until 7.40 p.m. instead of the scheduled time of 7 p.m. I thank them in my own name and on behalf of you all.¹

(Applause)

(The sitting was closed at 7.40 p.m.)

¹ For the agenda of the next sitting see Minutes.

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IN THE CHAIR: MR DE FERRANTI

Vice-President

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

1. *Approval of minutes*

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

Are there any comments?

I call Mr Kellett-Bowman.

Mr Kellett-Bowman. — I should just like to make an enquiry of the Chair, Mr President. In the print-out which records the voting, at the end of several votes it says 'votant irregulier badge No 97 de la place de No 12'.

What does it mean?

President. — I shall consult the experts and then tell you.

Are there any other comments?

The minutes of proceedings are approved.¹

2. *Agenda*

President. — The Committee on Agriculture has just adopted:

- a report by Sir Henry Plumb on a decision concerning the modernization of farms in Ireland and a regulation on less favoured areas in the West of Ireland,
- a report by Mr Bocklet on a regulation concerning the hop sector.

The Council has requested urgent procedure for these consultations. In accordance with the decisions taken on Monday afternoon these reports have been entered on the agenda for the sitting on Friday 10 July after the report by Sir John Stewart-Clark and the votes on the motions for resolutions on which the debate is closed.

¹ Documents received — Setting up of a committee of enquiry: see Minutes.

President

I shall consult Parliament at the beginning of Thursday's sitting on two further requests for urgency from the Council concerning

- a decision on fishing arrangements between the EEC and Sweden and a regulation on vessels flying the Swedish flag (Doc. 1-327/81),
- a directive on fresh poultrymeat (Doc. 1-98/81).

In accordance with Rule 48 (2) of the Rules of Procedure the list of subjects for the topical and urgent debate which will be held tomorrow from 9 p.m. to midnight has been drawn up. The list comprises eight motions for resolutions which were tabled within the specified deadlines and is as follows:

- Joint debate on:
 - motion for a resolution by Mr Albers on behalf of the Socialist Group on the closure of the Ford plant in Amsterdam (Doc. 1-370/81),
 - motion for a resolution by Mr Bonaccini and others on the situation in the car industry (Doc. 1-381/81),
 - motion for a resolution by Mr Welsh and others on the distortion of horticultural markets (Doc. 1-318/81),
 - motion for a resolution by Mr Früh on behalf of the Committee on Agriculture on price decisions for agricultural products (Doc. 1-373/81),
 - motion for a resolution by Mrs Pruvot and others on the young Europeans in prison in Thailand (Doc. 1-347/81),
 - motion for a resolution by Mr Habsburg on behalf of the Group of the European People's Party and Lady Elles and others on behalf of the European Democratic Group on the prevention of terrorism (Doc. 1-368/81),
 - motion for a resolution by Mr Lega on behalf of the Group of the European People's Party on changes in the Staff Regulations (Doc. 1-384/81),
 - motion for a resolution by Mr Loo and others on behalf of the Socialist Group on food aid for Morocco (Doc. 1-369/81/rev.).

Speaking time has been allocated pursuant to Rule 48 (3) of the Rules of Procedure¹.

In accordance with Rule 48 (2) any objections to this list of motions for resolutions, which must be justified and submitted in writing by a political group or at least 21 Members, must be tabled before 3 p.m. this afternoon. These objections will be put to the vote without debate at the beginning of this afternoon's sitting.

I call Lady Elles.

Lady Elles. — Mr President, did you say that a certain time has been allocated for each of these small debates? Last time, as you will remember, the urgency debates overran their time and we were not able therefore to have some of the motions which it was agreed should be taken. So could you kindly let Parliament know whether certain times have been allocated for each of these debates within the three hours?

President. — A time has been allocated for all the motions together, so it will be necessary for control to be exercised to get through all the items and prevent what happened last time occurring again.

I call Mr Arndt.

Mr Arndt. — (DE) Mr President, you have just said that the Committee on Agriculture has proposed that the measures for Ireland be dealt with as a matter of urgency, and you also said that the matter was to be discussed on Friday. If I may refer to Rule 14 (1) of the Rules of Procedure, it says there that requests for urgency must be in writing and supported by reasons. This is not the case here, and so there can be no decision. Speaking on behalf of my group, I have serious reservations about a decision being taken on this motion without an opinion from the Committee on the Environment, Public Health and Consumer Protection.

President. — Mr Arndt, they were requested by the Council correctly in the normal way under the Rules. It is the Council that has requested urgent procedure for these consultations.

Mr Arndt. — (DE) Even if the motion comes from the Council, it is up to Parliament to decide. I must repeat that this is a matter which involves the Committee on the Environment, Public Health and Consumer Protection as well, since it is going to have a considerable impact on the countryside. We should rather not take any decision on this issue unless we can get an opinion from the committee which is responsible for environmental matters.

President. — I am sure your remarks have been noted. Mr Arndt, and I am sure you will raise the matter again when the topic is debated on Friday.

I call Mr Maher.

Mr Maher. — Mr President, in relation to the point raised by Mr Arndt, these particular proposals are part of a package already negotiated in relation to Ireland which was approved by the Parliament last December, so this is just to follow up the question of continuing with the drainage programme plus some interest subsi-

¹ See minutes of sitting of 8. 7. 1981.

Maher

dies. They are part of a programme already in fact running in Ireland, so there is nothing new about this.

President. — That is right, and they were announced in the normal way in the minutes of proceedings of the sitting on Monday.

I call Mrs Maij-Weggen.

Mrs Maij-Weggen. — (NL) Mr President, the chairman of the Committee on the Environment, Public Health and Consumer Protection is not here but I want to endorse what my German colleague said. There are 50 000 hectares of land and an enormous EEC subsidy involved in this matter. It has to be considered first by the environment committee because the area in question is one of Europe's few peat moors and peat bogs. If the matter is going to be dealt with quickly here, the opinion of the environment committee has to be sought. I think it is a poor show when urgent matters are dealt with in this fashion.

President. — As I said to Mr Arndt, I think the right thing is for this to be raised when the matter comes up on Friday, but we have noted what you have said.

I call Mr Sherlock.

Mr Sherlock. — Mr President, I wish to make it clear that this anxiety on the part of those of us who sit on the Committee on the Environment, Public Health and Consumer Protection, accustomed, therefore, to being regularly ignored, stems from our feeling that there is excessive recourse to the urgency procedure. I cannot imagine that suddenly the draining of this bog has become a matter for this House to hurry itself about. It hurries itself about nothing else; why should this be so exceptional?

3. Institutional relations (continuation)

President. — The next item is the continuation of the institutional debate.

I call Mrs Baduel Glorioso.

Mrs Baduel Glorioso, rapporteur. — (IT) Mr President, ladies and gentlemen, I shall now present, in the context of the debate on the reports submitted by the Subcommittee on Institutional Problems of the Political Affairs Committee, a motion for a resolution on the relations between the European Parliament and the Economic and Social Committee.

This document is a series of specific proposals on regulating cooperation between Parliament and the Economic and Social Committee, which the 'three wise men' labelled a Community institution, whilst the EEC Treaty refers to it as an organ of the institutions. The basic problem posed in this report is — as I was just saying — that of simplifying relations and ensuring, by means of an annual programme, that the Members of Parliament are kept informed of the work being done by the Committee, which to a great extent covers the same ground as that which we deal with here, with the specific exception of political matters. What is needed is comprehensive information for the Members of Parliament on what the Committee is doing and for the advisory members of the Economic and Social Committee to have the same information on Parliament's work. This would also involve hearings between rapporteurs carried out with the agreement of the Chairmen of Committees. All this should not, as it has been up to now and increasingly since 1975, be based on decisions or initiatives which, whilst being laudable in themselves, have not borne any fruit. An organized annual programme established by the Presidents of the European Parliament and of the Economic and Social Committee would on the contrary achieve positive results in the fields of information flow, interchange between the rapporteurs and the development of hearings, which would lay the way open for contacts and provide the basic tools for cooperation. Moreover, this sort of cooperation was referred to by the President of the European Parliament, Mrs Simone Veil, during her visit to the Economic and Social Committee on 3 July of last year.

I should briefly like to remind you of what the Economic and Social Committee is. It is an organ of the institutions — or if you like an institution — and even though the Treaty does not confer upon it a large number of prerogatives, no request has ever been made for a reform of the existing system. I should like to state that this Committee, which might more appropriately be known as the 'European Economic and Labour Council', originated from the legislation of the Weimar Republic, which makes it all the more strange that it was precisely the Federal Republic of Germany which after the last war did not wish to see this organization resuscitated. There are Economic and Labour Councils in Italy, France and the Benelux countries. They do not exist in Denmark or in the Federal Republic of Germany. In Britain, there is a type of Economic and Labour Council, but in both characteristics and make-up, it is different from that of other countries. Members of the Committee are appointed for a four-year period — on recommendation from their governments — by the Council of Ministers. The Committee consists at present, since the arrival of the Greek members, of 156 advisers. It was set up in 1958, and its rules provide for a change of presidency every two years. It is made up of three broad groups, which represent respectively the employers, all the European trade union movements, and the professions and other interested parties. The Committee normally

Glorioso

functions as a permanent assembly and is subdivided into committees or sections of which there are nine. It is consulted not just on matters laid down in the Treaty but increasingly on all the problems which the Commission has to face in its own programmes and it is also consulted by the Council itself to an increasing extent.

Certain people saw the Economic and Social Committee at the outset as one of the cornerstones of the 'social compact'. I should now like to reject categorically this hope or hypothesis as being absolutely without foundation — and I say this because I once held the post of President of the Economic and Social Committee — and it is without foundation because of the very nature of the people who meet in the Committee and because of the totally abstract character of any concept of 'social peace' which might be reached in a committee in which there are, and are represented, such varying and very often conflicting interests. The Committee is a forum for discussions between varying interests in an attempt, naturally, to achieve a common goal, but this common goal should not be reached at all costs and by a unanimous decision. Thus, pursuant to the recent reform of the rules of procedure of the Committee, it has at last been accepted that minority opinions may also be expressed, should a group or interested category so request. This therefore dispels the illusion that the Committee is a meeting place for the social partners, that is a place in which the economic and social forces of the Community ought to reach agreement, and instead throws up a much more democratic, forceful and absorbing notion which is that in this Committee the representatives of the economic and social forces in Europe can debate and discuss problems which concern either difficulties which have already been faced and resolved at national level, on the basis of agreements on economic and social problems, or problems which are typically European in nature.

There is a reality in Europe whose real meaning not all people are perhaps aware of. This is that there are no industrial relations on a European scale. There is no European contract nor any standard contract, nor a contract for each economic sector nor even any contract within one sector which covers specific problems. The Economic and Social Committee can certainly play a part as no Economic and Labour Council could in the negotiations which take place in all EEC countries between the economic and social forces, that is between employers and trade unions. That much is certain, but it is also certain that the rift which unfortunately still exists in Europe — and I would like to say immediately that this is not the trade unions' fault — makes this instrument all the more precious. In the Committee, by constant interchange, it is possible to define clearly the individual positions and even to ascertain how far both sides of industry will or will not be prepared to go to reach some sort of agreement in the face of diverging and conflicting interests.

Finally, I should like to remind you that at the 1972 Paris Summit the Economic and Social Committee was granted the right to take initiatives. This greatly widened its sphere of interests and the scope of the problems which it deals with in the agricultural sector, for example, and in the industrial sector. Let us not forget the opinions expressed on restructuring, or the major conference held a year ago on the difficulties in the construction industry, in which both building contractors and workers took part, representing all the groups in the Economic and Social Committee. There are also all the initiatives taken in the energy sector. I should particularly like to stress the importance which this right to take initiatives has had in helping the Committee to look into, and produce relevant resolutions on, the problems of Community external relations.

I feel sure that there no longer exists — apart from the problem of political cooperation which is specifically and of essence a political matter — any aspect of Community external relations — whether it be the problem of extending the Lomé convention or relations with Eastern bloc countries or the generalized preference scheme or whatever — on which the Economic and Social Committee has not delivered or even amended its own opinions.

I take the liberty of quoting three study projects which were started four years ago and finished two years ago on the three countries which are applying for entry to the Community, and it seems to me that the examples given in these are quite interesting from the point of view of the ESC's approach. The Economic and Social Committee decided to deliver an own-initiative opinion on enlargement. Missions were sent several times — in the form of study groups set up on an *ad-hoc* basis — to Greece, Spain and Portugal. The problem of enlarging the Community to include these three countries was approached in a completely original manner, that is by establishing contacts with the employers and trade union organizations in those countries, by sounding out the views of such organizations and discovering the way in which the economic and social forces of the countries concerned were approaching this question.

Thus, this report, which is at Parliament's disposal, might well be extremely useful, because it is certainly only the Committee which can offer you an all-encompassing European overview of European economic and social forces and of the ideas of other forces existing in the above-mentioned countries. I firmly believe that it would be of particular use to initiate cooperation of this nature.

The report I am now presenting does not demand major reforms. It only asks that the existing rules be applied. I think, and hope, that this report will meet with a large consensus from the Members of the European Parliament. I believe this for the very reason that the fact of being directly elected has thrust increased

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responsibilities on us, which means that we must use all the methods of cooperation possible which will enable us to continue our work in the fullest possible knowledge of the economic and social realities which exist in Europe, and of the regular exchanges between both sides of industry in the Economic and Social Committee.

President. — I call Mr Hänsch to introduce the report by Mr van Miert.

Mr Hänsch, deputy rapporteur. — (DE) Mr President, ladies and gentlemen, I hope you will all understand that, as my colleague, Mr van Miert, has been called away to Brussels at short notice, I should represent him here today and briefly present his report.

The essence of his report is the assertion that Parliament should have the right to ask the Commission to make proposals for legislation on specific matters. We feel that this is the necessary complement to all the proposals this House has made on improving its relations with the Commission and the Council. In this case, as in the other reports, there is no question of depriving the other institutions of their rights nor of overstepping the Treaty framework. It is much more a matter of stretching the Treaties to their utmost limits. And Mr van Miert's report goes some way towards achieving that. Similarly, it is not a question, as some people would seem to think, of depriving the Commission of its right to put proposals before the Council, but we should simply like to see the Commission and Parliament acting in unison in order to introduce and promote new initiatives on Community policies.

Naturally enough, there is a certain amount of common ground between Mr van Miert's report and my own, since they deal more or less with the same subject, whilst, however, laying emphasis on different points. This has led to some passages of our two reports having the same wording, which means that if we adopt one, we shall, and must, adopt the other. Mr van Miert and I have no basic differences of opinion, and I should like to thank him very much for his close collaboration.

I should therefore like to ask you all, in Mr van Miert's absence, to devote as much attention and thought to his report as you did to mine and to the others, and to lend your support to it.

President. — I call Lady Elles.

Lady Elles, rapporteur. — Mr President, it is through political cooperation that the Community has the means to exert its economic strength as a political force and influence on world events. I think we should recognize that the mass media covers much of the

work of the Community in terms of what might be called the menu arguments — fish, lamb, apples and so on — that detract from the real meaning and value of the Community. Outside this Community of ours we are considered by third countries as a strong economic force and are not considered any longer in terms of individual Member States.

The Luxembourg and Copenhagen reports of 1970 and 1973 respectively, setting out the objectives and working methods for political cooperation between Member States of the Community, have to some extent already been implemented and developed, and the process has undergone a considerable evolution in the last few years. Unfortunately, it is one of those systems and mechanisms which is very little known outside the sphere of those who are operating it. The situation of the Community in the world today demands a new appraisal both of its foreign policy objectives and the working methods available, as well as the establishment of relations between the directly elected European Parliament and the Foreign Ministers meeting in political cooperation. There are six points from my report and from the motion for a resolution before this House that I would like to emphasize.

First, the increasing economic strength of the Community, which has a GDP higher even than that of the USA, demands an increasingly identifiable foreign policy. It is already the largest trading bloc in the world, representing over one-third of the world's total trade. It is a donor of aid to developing countries, accounting in world terms for 39% of all aid compared with 20% from the USA and a derisory 1% from the Soviet Union; this emphasizes the direct links between this Community and vast areas of the world. External economic relations and development policies therefore can no longer be considered in isolation. These figures, coupled with the pressures of external events and an ever growing interdependence between world regions, both justify and demand much needed and identifiable foreign policy objectives for the Community.

Second, the Community has a role in international organizations, particularly the United Nations. This role has already been enhanced by continuing close contacts between the permanent delegations in New York, and the report outlines ways in which this could be reinforced. Whereas a few years ago the focus was on the Soviet Union and its satellites, great attention is now paid to the voting intentions of the Ten or, to be more correct, of the Nine, as they were at the last General Assembly in New York.

Third, the subject matter of political cooperation does not fit into clearly defined compartments. Preparations for the CSCE follow-up meeting cannot fail to be concerned with international security matters, and Parliament welcomes the agreement reached at the Foreign Ministers' informal meeting at Venlo recently.

Elles

This decision to discuss security within political cooperation in no way impinges on or weakens the NATO alliance on which the defence of the West is based. Neither does the strengthening of a European foreign policy weaken our resolve to maintain close links with the US Administration with whom we share mutual interests and common concerns.

Fourth, the structures through which the presidency of the Council has to operate are no longer adequate to handle the extensive foreign policy activities of the Community. The setting up of a political infrastructure, small but effective, is long overdue. It will be its role to provide continuity between one presidency and the next and to provide a means whereby, in the event of a crisis, a meeting of Foreign Ministers may be arranged at short notice. Recent events in Afghanistan, Iran and the Middle East have emphasized this need. We therefore urge the President-in-Office and his deputy, who are with us today and whom I welcome, to do all in their power to set up this infrastructure as soon as possible.

Fifth, the report sets out in some detail ways in which Parliament can have better relations with and closer cooperation with the chairman of the Foreign Ministers, promote exchanges of information and, through the colloquy or by other means, convey its viewpoint to the Foreign Ministers.

On the sixth point I speak in my personal capacity, because it is one that has arisen quite recently. The European Council has, of course, responsibility for political cooperation. However, as was pointed out in the report of the Three Wise Men, it has no direct link with Parliament. We request that the President of the European Council should come to this Parliament, if possible during this presidency. The Prime Minister of the United Kingdom would certainly be most welcome in this Parliament, and following agreement at the recent European Council it is clear that there is no longer anything to prevent its President from appearing in this Parliament. I repeat that I am quite certain that Members of all parties and all nationalities in this Parliament would warmly welcome the presence of the President of the European Council in this House.

The evolution in world affairs since the last report on EPC in 1973 calls for a new report from the Foreign Ministers that will make an assessment of foreign policy objectives and outline suitable mechanisms for their achievement. The Community has a key role to play in the maintenance of world peace and economic stability. Its strength and effectiveness would be reinforced by constant consultation and unity among the Member States. It will also be reinforced by reflecting the voice of the people of the Community whose representatives in this Parliament we are.

In presenting this report, Mr President, to the Parliament on behalf of the Political Affairs Committee, I

would like to say that this report was adopted unanimously in the Political Affairs Committee. There is, of course, a minority report by one Member of this Parliament, which I don't think needs to be considered too much. Anybody who writes a minority report on this subject is a self-confessed anti-European and anti-Community Member and does not reflect the views of the vast majority of this Parliament. So, Mr President, we ask for the support and cooperation of all the Members of this Parliament in adopting this report tomorrow and particularly of the President-in-Office to ensure the implementation of the proposals contained therein.

President. — I call the Legal Affairs Committee.

Mr Prout, draftsman of an opinion. — Mr President, I should like to stress that I am speaking on behalf of the Legal Affairs Committee and not on behalf of my group.

Mr President, the development of the European Communities involves a voluntary and democratic transfer of power from Member States to Community institutions, in the belief that certain matters are better dealt with in common than separately. Yet one of the consequences of this transfer is, ironically enough, a decline in democratic decision-making. Why is this so? Because the law-making body in the Community is the Council of Ministers. It is true that national representatives on the Council are themselves elected democratically, but the decisions they take are the final part of a legislative process in which national parliaments do not participate. Now any loss of powers by national parliaments in this respect must be compensated by a corresponding increase in the powers of the European Parliament. The real battle, in short, is to sustain the principles of representative government so dearly purchased on our continent.

How should we fight this battle? Perhaps Treaty amendments or joint declarations will in the end prove necessary, but here my committee would like to sound a note of caution. The Legal Affairs Committee believes, as our written observations and our tabled amendments demonstrate, that Parliament is failing to exploit rights that it already has. The recent amendments to our Rules of Procedure on consultation bear eloquent witness to this. In our view, nothing could be more dangerous to the future of this House than a claim that we do not have a right which we in fact do have. We believe that much more thought should be given to exactly what we have already before speculating on what we ought to have in the future. And I especially direct these remarks to Mr Spinelli, whose intentions I salute but whose initiatives I regard at the very least as premature.

Now I turn to our amendments. Of the three tabled by Mr Hänsch, No 17, to the second indent of the

Prout

preamble, may be no more than textual. We simply want to make it clear that the Council of Ministers is a Community institution and that the Member States are required to work within the framework of the Treaties. They are not there merely to represent the interests of Member States.

Amendments 25 and 26 are substantive and should be read together. Like Parliament, the Council is entitled to adopt its own internal procedure free from interference from the other institutions; but, again like Parliament, the exercise of this autonomy does not permit it to breach provisions of the Treaty. As a result of the Luxembourg Agreement, the Council of Ministers has changed its internal Rules of Procedure to abandon the majority voting principle enshrined in the Treaty. By choosing not to vote, it refuses to legislate on matters on which there is no unanimity, even where the Treaty does not require unanimity. This prejudices the rights, not only of the Member States who are in the majority but also of the Commission, the author of the proposal, and of Parliament whenever consulted upon it. The Legal Affairs Committee therefore reminds the House that where appropriate, the Commission, Member States in the majority, or Parliament may bring an action before the Court when the Council fails to act.

I come finally, Mr President, to what seems to be a rather radical amendment, No 19 to the Van Miert report. Mr Van Miert is the unlucky victim of the ill-considered terms of reference given to him by his committee. Of the sixteen substantive paragraphs of his motion for a resolution, eight repeat corresponding paragraphs of the Hänsch report and three more are beside the point. Moreover, we believe that those that remain are misguided. (*Laughter*) The exercise of legislative initiative necessitates substantial staff resources which Parliament simply does not possess, but the Commission does possess them, and since the Commission is politically responsible to Parliament by virtue of Article 144 of the Treaty, we can instruct it to take initiatives at our own behest. This is a classic illustration of the phenomenon to which I have already referred. Parliament's institutional position would be needlessly weakened by requesting a power which in fact we already possess.

We have one last request, Mr President. The reports we are considering today overlap in many respects. It is vital that the final motions for resolutions are consistent and mutually supporting. Nothing would do Parliament more harm than self-contradiction.

(*Applause*)

President. — I call the Political Affairs Committee.

Mr Rumor, Chairman of the Political Affairs Committee. — (*IT*) Mr President, ladies and

gentlemen, our debate today should certainly go down in the annals as one of the high points of the short history of the European Parliament.

This is because it deals with a crucial problem for the Community and for its future development, that is the political and institutional system. I say political and institutional on purpose, because the root of the Community institutions and their development is, by its very nature, a factor which will reveal the true political decisions which the various forces involved — governments, political parties, and the major movements which sway public opinion — actually intend to take for the Europe of today and tomorrow.

But on the political level itself — over and above the letter of the Treaties — it falls to Parliament to make initiatives and proposals. This imposes on us a duty to remain faithful to the true meaning behind our election by the people of Europe.

There are at present before Parliament motions from various Members on the method and the instruments judged suitable to further the process of amending the Treaties in order to create a European Union.

One of these proposals — tabled as an amendment by the European People's Party — is inspired by the noble vision of a European Union based on the values proper to our civilization; a Union whose institutional structures would be based on a separation of powers and in which the balance of power between the institutions would be more closely observed with respect to the existing Treaties. I feel that it would be useful for this problem to be solved using a rational and constructive approach.

It is important for Parliament's decision to gain the widest and most considered consensus possible. In addition, this decision — if we really want it to be a creative one — must be backed up by a sturdy and well controlled decision-making potential in order to prevent our realistic and courageous determination from spending itself in petitions on principles which are well-meaning but ill-considered; instead we must achieve material gains which involve the other institutions, governments, national parliaments and all the cultural and political forces of the whole Community. The pursuit of such an outcome is worthy of a decision by Parliament which should be backed up by shared enthusiasm and commitment.

But, Mr President, this week's part-session must be hailed as a significant moment above all because, in order to bear witness to this desire for stimulating the Community and breaking new ground, this House is called upon to discuss and to take decisions on a whole range of motions for resolutions which immediately get to grips with specific and basic problems in our institutional system and provide immediate potential for progress and change.

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Following the Rey resolution, approved by Parliament last year, which had a positive impact on our relations with the Commission, we are now called upon to examine institutional relations which are open to our assessment.

We have a wide range of proposals for which — both as Chairman of the Political Affairs Committee and as spokesman for my group — I feel obliged to thank the rapporteurs Mr Diligent, Mr Hänsch, Mr Van Miert, Lady Elles and Mrs Baduel Glorioso for their excellent work. I should also like to thank the Subcommittee on Institutional Problems and its Chairman for having formulated precise proposals. And, lastly, I should like to thank the Political Affairs Committee which in a series of terse and far-reaching discussions, during four intensive sittings, made it possible for the texts of the reports to be placed before us for debate today.

When these reports are added to the others by Mr Blumenfeld, Mr Antoniozzi and Mr Berkhouwer, which are at present being drawn up and examined, then the Political Affairs Committee will be providing Parliament with a substantial corpus of information covering the whole breadth of the institutional horizon.

It is quite intentional, ladies and gentlemen, if these resolutions refer to the central and motivating function of Parliament. And this must be so, if we are of the view that Parliament, after direct elections, represents an historical breakthrough which has radically transformed the scale of political values within the Community.

But if we start with this problem, it clearly emerges from a reading of the resolutions, that they largely redefine the system of relations both between the main institutions, in particular between the Commission and the Council of the Communities and also the responsibilities and powers which they possess.

It has been said, almost disparagingly, that these reports do not go outside the scope of the Treaties. This is true.

The Political Affairs Committee of this new, directly-elected Parliament made this choice quite consciously, because we adopted the realistic view that any amendment to the Treaties would inevitably require a long time, especially for the political aspects, and also when faced with the tampering with responsibilities and powers and with the urgent need to re-establish an institutional order which is neither violated nor ignored, when faced with the absolute duty to put into practice all Parliament's potential, which is instantly available because it cannot be objected to under the Treaties, then in my opinion this decision was a wise and well-timed one.

I have already said that the motions for resolutions before us today mean a return to the original institutional system which has been distorted and battered over the years by the all-pervasive extension of the powers and responsibilities of the Council and a gradual reduction and etiolation of those of the Commission, which is in particular the bitter fruit of the over-application of the compromise on unanimous decisions reached in Luxembourg.

It is, therefore, with justification that our resolutions deal with the decision-making process in the Council, because its working methods have repercussions on Parliament's place in the institutions as established in the Treaties.

But the major point to emerge from all these reports is the desire to see Parliament exerting a pervasive influence in the whole realm of decision-making, both on Community matters and in political cooperation.

Mr President, ladies and gentlemen, the Political Affairs Committee, in putting forward these reports and shortly those which are now also being drawn up on the extremely difficult and complex subject of uniform electoral legislation, wishes to subject to Parliament's scrutiny those questions which are not touched upon or remain simply implicit in the Treaties and what they do not contain at all, all of which correspond, or at least do not go against, their truly Community inspiration.

Through these reports, Parliament is not resigning itself to 'adjustments', and not renouncing its desire for more sweeping innovations. It is, however, trying to forestall the unfortunate and retrograde move towards the renationalization of Community decisions, and to offset this by giving new impetus to the process of unification, by proposing a different way of viewing institutional relations and powers.

One speaker drew attention to what he called the negative aspects of this decision, which he called 'pragmatic' and 'constituent'. I have already explained the immediate reasons for this, as indeed Mr Hänsch did too. But we should be very careful nonetheless. It is better to have a positive achievement rather than fruitless rhetoric.

And let us not too easily forget that it is by a pragmatic approach that the joint budgetary authority, political cooperation and the European Council were born, none of which were provided for in the Treaties.

And is there anyone here who can deny that the joint budgetary authority achieved — and we should not forget this — by the non-elected Parliament, paved the way for a new system of interinstitutional relations? Who can deny that political cooperation has become the most striking example of the Community's presence on the international political scene, and that it is through being pragmatic that Parliament has

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managed to become recognized at this level — a role which ought naturally to be developed to the full? Who can deny that the European Council has become a body to which reference is made and from which stimulus comes for initiating many of the basic steps made towards European integration? On this subject, we should mention the intention expressed by the President of the European Council, in answer to a request previously made by the Political Affairs Committee, in a declaration after the Luxembourg Summit, to initiate exchanges with Parliament.

I therefore feel, ladies and gentlemen, that if we consider the proposals before us today to be valid, then we must open negotiations with the Council and the Commission in order to arrive at a common declaration which will sanction the actual implementation of this intention.

The major repercussions which some of these proposals would have on the system now in force will doubtless raise difficulties for us.

It is precisely for this reason that I propose, in order to lend weight to our commitment, that the texts of our resolutions — in their most relevant forms — be sent to the national parliaments or — at least — to groups similar to ours in the national parliaments.

This basically comes down to putting into effect immediately one of the proposals in the Diligent report. But we must also make clear — by adopting a determined attitude which I hope will be as broad-based as possible — to the Commission and to the Council — but especially to the Council — that Parliament has demands in this area.

Similarly, nobody can deny that Parliament's demands are legitimate. Through them, we are acting as the promoter of moves intended to make the Community progress and to further European integration.

But over and above the provisions of the Treaty, all of which we nonetheless intend to respect let us not lose sight of the legitimate expectations, which have long been thwarted and frustrated, of European public opinion! It is precisely one of our desires to do away with the false impression that the direct election of the European Parliament has not increased the significance of its role in the Community legislative process and not led to the leap forward which was expected from it and still is expected from it.

In addition, I refuse to believe that the Council will allow itself to be trapped within a restricted and pedantic interpretation of the Treaties, in a short-sighted and distorted vision of the changes now taking place and of the potential which this is releasing. I feel that this would be an inconceivable and unacceptable attitude on its part. On other occasions, however, the Council has shown its ability to understand this and to draw from it important, if limited, conclusions.

Of course, Mr President, ladies and gentlemen, the first steps we have taken by holding this special debate on institutional problems is only the start of a long march. It will be no simple matter to reach a very broad convergence on one single outlook for Europe.

But we must be careful not to set off on the wrong foot. We must be careful not to ignore the size of the obstacles before us, and the very real need to pause from time to time. One speaker ironically referred to 'small steps' when talking about the reports submitted by the Political Affairs Committee, thereby trying to equate responsible and rationally-reached decisions with a sort of fearful reverence towards the Treaties' supposed untouchability.

Well, it is precisely when one is undertaking institutional reforms that one must carefully weigh one's steps, so that good intentions do not become bogged down in the sands of stubborn and protracted resistance.

And we must not try to sidestep some fundamental points. Our premise is that into the broad framework of a system of correctly separated and autonomous powers must be inserted the incontrovertible historical, cultural and economic reality which is Europe, whose political organization must necessarily be original and different from that of any other experiment in unionism or federalism.

Our dream of a better world — without which history is not made — in order to pass from mere wishful thinking to reality, must take account of the fact that opposition to new ideas is not always dogmatic, selfish or short-sighted. There are doubts and fears which deserve consideration and are born of a desire to have a clear view of a unifying pattern which respects the varied and rich characteristics of each nation, characteristics which cannot simply be ignored.

It is for this reason that we must proceed in a measured way and by involving all the competent organizations possible, and all the varying cultures and forces which interact within and between the peoples of Europe.

But this is not enough.

Our institutional debate will be fruitless and merely theoretical if all Community policies, all the common policies, the impetus towards economic and monetary union, an enlargement to cover all that Europe could be, as well as political cooperation, are not accompanied by the energetic and essential impetus of the institutions, governments and the peoples of the Community.

Our desire is for a European Union, clearly defined in all its aspects, as the focal point of a politically active Europe, fair with itself, showing solidarity with poor peoples, and having influence because it is a point of

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reference for peace and progress for all mankind. As Galileo said, it is by trying and trying again — with stubborn tenacity, indomitable patience and conscious humility — that we, the citizens of Europe, must aim at and achieve our goal.

(Applause)

President. — I call the Commission.

Mr Thorn, President of the Commission. — *(FR)* It was a little more than two years ago, Mr President, that I had the privilege as a newly elected Member of the European Parliament to take my place with you in this Chamber for the first time after the direct elections. That occasion represented simultaneously — as we heard again this morning — the culmination of an institutional process contained from the outset in the Treaties and also a multitude of new hopes, because we had been waiting for it for a long time, far too long.

Parliament in fact was at last fulfilling its role as the legitimate representative of the people of the Community. I really believe, Mr President, that the beginning of summer 1981 will go down in the history of the Community as a milestone, on account of the institutional debate which has got under way here today and which is not going to be over quickly, and on account of the mandate which we have given to you and to the Heads of State and Government.

I do not want to go over again what was said about the mandate yesterday. If I may, however, there is one thing I want to say to the House. At the request of the President I did not speak again at the end of the debate. This does not alter the fact that far too much was left hanging in the air and that far too much misunderstanding is still lingering on. I believe — and I am happy to say so at this point — that we must at any rate make an effort to find ways and means of getting together on this mandate in the months to come, so that we can clarify all the points you have raised and answer all the questions that were put yesterday. I trust the Bureau can come up with some proposals along these lines.

The institutional debates raises the fundamental issue of the effective and democratic realization of the idea of European Union. In February the Commission fixed a date for October, when it is going to inform the House of its ideas on how the relations between the various institutions set up by the Treaties should be conceived and implemented. The Commission is delighted that it can make use of the institutional debate in this part-session to get a clearer and fuller idea of what Parliament expects. These expectations will help us in drawing up the document which will be submitted to you after the summer recess. As I said back in February, I think it is extremely important to

restore a certain confidence and serenity among the various institutions. You are all aware, ladies and gentlemen, that the Community is based on a unique constitutional system, and this fact must not be forgotten. This system aims to effect a useful and continuing reconciliation of national, and even regional and local, interests, and the federal idea of working for the general benefit of the Community as a whole. There are consequently many sources and centres of power within the Community, and they interact in a complex manner, but there has to be some interaction. The Treaties offer a kind of institutional balance which makes the reconciliation I mentioned feasible and which means that it can be translated into actual policies which can help us on our way. In view of the Commission's role as guardian of the Treaties and the driving force in the institutional set-up, you will understand our strong attachment — which perhaps we feel rather more than the other institutions — to the idea of institutional peace. At the same time — and I do want to stress this point — we do not want to preserve an unchanging inter-institutional balance. We want fresh ideas to inject some life into our relations. All too often we see here those who advocate a gradual approach lining up against those who take a bolder approach and want to change the Treaties. If you ask me, the two are not incompatible. I think it is normal if a Parliament like yours is eager to see the Treaties changed and has a long-term idea of what it thinks is the ultimate goal of the Community. But that should not stop us from making the most of each and every opportunity to make all the progress we can.

(Applause)

As I have told you, Mr President, the Commission is ready to respond to Parliament's expectations even along these two courses. We are not ready to see the Commission dismantled or its powers eroded, and I do not think this is what you have in mind. Anyway, Parliament would be deluding itself if it thought it could bolster its powers by weakening the Commission, and I know that your real concern was always to strengthen the Commission and to ask it to do what people are always saying it does not do, namely, to make use of the powers it has and which you consider we do not make enough use of.

Those who are keen on strengthening the Community must also be wary of ideas about the allocation of powers which are modelled too closely along the lines of national sovereignty. European democracy works in different ways and has other considerations apart from parliamentary democracy as it affects the sovereign state. At a time, ladies and gentlemen, when you as the elected representatives of Europe are starting — or are about to start — on the second half of your mandate, we at the Commission share your legitimate hope to see some genuine progress at Community level before you confront the voters again. We feel that the time is ripe, in spite of what some people think. Over and above the differences which now and then mark

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the attitude of various people as regards the substance of our policies, we and you are all allied in moving towards our goal: the creation of a Community which matches this continent of ours and which can guarantee stability and prosperity within its borders and help attain these same objectives elsewhere. I have always fought hard to strengthen the powers of this Parliament. You know that before your election — before our election, I nearly said — when I was still Head of Government, I incurred the wrath of some others Heads of Government when I wanted not only the election but new authority and powers as well.

I have not given up these ideas. Every time I go round the capitals, I urge all the Heads of Government to improve the dialogue with Parliament and to give it more powers. Consequently, I am pleased to be able to say now that during the last European Council there was a change to the effect that it is now willing to allow its President to come and talk to us here. I hope and trust — and this proposal came from the Commission — that there is going to be a fresh start in this respect and that a dialogue can get going between you and the European Council. I am happy to add that I feel this is only a first step, because all the Heads of State and Government at the last European Council meeting expressed their concern about the future of Parliament, and they seem to be more aware than they were before of the need — and I mean this — to have a more serious dialogue with Parliament. It is in this spirit, Mr President, that the Commission is fixing a date with Parliament for the autumn, when we shall have an opportunity for more thorough discussions about our aims and the objective of the Community and about how to improve the quality and effectiveness of relations among the institutions.

Let me add by way of clarification one or two comments which will serve as vital points of reference for both our present action and our future stance.

I shall first of all say something about the nature and the aims of the institutional debate. As we see it, it must not be an excuse for abstract theorizing designed to divert our attention from current problems. The general public which is watching us and the voters who have given you and us their support would find this unforgivable, especially in the difficult times we are going through.

Nor must the institutional debate provide the opportunity to voice uncompromising demands which have no link with reality or with what we have experienced throughout the last few years. Reality, in this instance, means urgent problems to be solved, decisions to be taken within specific time limits, procedures and powers to be respected within the legal framework set up by the Treaties.

What I mean is that, in the immediate future, this institutional debate, by the very nature of things, will have to go ahead within the existing legal framework,

based on majority agreement among the States. As a result, it will have to fit in with what I might call the three-way institutional talks. Apart from our two institutions, what the Commission and Parliament have to do is to get closer to the Council. You know, people often get hold of the wrong idea when they think there is just a two-way relationship between Parliament and the executive. Unfortunately there are three institutions, and this Council, which goes by the name of Council of Ministers and which is basically an assembly of States, has made up its mind that unanimity is needed for crucial decisions. I can only say that one day we shall have to make up our minds together to get back to the Treaties. I am saying this for the benefit of everyone who wants to change them. If only we could get back to the Treaties, things would not be so bad.

(Applause)

I am willing to admit to many people, and especially Mr Spinelli, who tackled me on this point in February and said that the Commission was not making the desired moves, that they are right. But if you stop and think for a moment, ladies and gentlemen, you will realize that our role is quite different. If we submit proposals which are too ambitious and which are likely to be blocked, because the unanimous approval of the Council is needed, we are just as much to blame for holding things up.

Unfortunately, the Council is aware of this, at a time when more than ever before we need to make some progress, be it in the steel industry or on unemployment or in farming and so on. The unfortunate fact is that, if there has to be unanimous support for decisions, you cannot ask this Commission always to confine and circumscribe its views when we know that the governments are not going to act on them.

This explains why it is understandable if you are much more adventurous than we are in these three-way talks, ladies and gentlemen. I am willing to admit that perhaps the Commission ought to be a bit more adventurous in future and decide in which areas it might risk proposals, but you have to remember that this Commission has different responsibilities from you, and this means that now and then we have to be somewhat more realistic than you need to be.

As for the objectives referred to in this debate, a twofold approach is needed, prompted by the desire for effectiveness and the desire for a greater transparency in the way the Community works. If such an approach is going to get anywhere, each institution will have to respect the role and the task of the others.

Mark my words, we shall never see a second-generation Europe unless we maintain and strengthen the efficiency of the way this Community works, in accordance with the Treaties.

Thorn

Consequently, the institutional debate must not lead to more byzantine working relations. What we need, on the contrary, are more functional and vigorous relations.

This is where the trilateral aspect of the debate really comes in. It is becoming more and more apparent that where the Community is faltering is at the decisional level. And if you ask me, this is going to go on as long as Community decisions have to be unanimous. There seems to be far too much of a pattern in the way in which the Council's power of decision seems tied to a craven desire for unanimity among the Member States. This is the basic reason for the relative downturn in the way the Community is working.

Having said that, I am not ignoring of course the actual circumstances, the difficulties which are emerging in the Member States as a result of the economic and social crisis, and the tension which flagrant disparity and imbalance engender among them. What I am saying is just that, in an institutional debate worthy of the name, you cannot gloss over this decisional aspect and ignore all the related shortcomings. If this were not the case, this debate would simply produce another of those token efforts which mark the history of Europe but which have little impact on the people of the time.

The second aspect of this institutional debate concerns the greater transparency of how the Community works. I feel that this objective is also within our reach. The interest which the Commission has in this respect is borne out by its attachment to a democratic development of the idea of integration. This House, elected by direct universal suffrage, is now in a legitimate position to play a part in the process of integration. This House represents the manifold variety of the people of the Community, and it voices local interests which would not otherwise be heard.

As you know, the Commission shares your concern, and we are anxious to discover in the coming months ways and means of working more closely with you so that we can work out two procedures: the procedure to be used before proposals are submitted and the procedure whereby we can follow together the progress of Commission proposals. If I may, I should like to urge this Assembly to make more use of what are known as guideline debates, before policies are actually worked out. The fact is that when proposals are dropped on the Council desk, they very often stay there. Whether it is done in committee or here in the Chamber, it might be better if we had more guideline debates before we get around to submitting definite proposals to those with the power of decision.

Mr President, ladies and gentlemen, while we want to keep open our options for the debate we are going to have in a few months, I do think it is right and proper, at this stage, to add that in the past, when my predecessors were in charge, there was an effort on the part

of the Commission to reach agreement with a view to achieving a tangible improvement regarding collaboration with this House, in the presentation of its annual programme of activity, by extending the range of consultation, by the response to the amendments which Parliament recommends in connection with its proposals, through relations with the parliamentary committees, which in numerous other respects have shown over the years, I think, an undeniable willingness to cooperate. This willingness is more keenly felt than ever, and we intend to submit constructive proposals in the light of what you are going to ask of us during the debate.

I am really convinced that the excellent reports which have been presented here today constitute a step in the right direction. Apart from bearing witness to a tremendous amount of thought on the future of the Community, they extend the pragmatic approach adopted in the past in order to overcome the barriers and establish institutional peace. I do not want to dampen the enthusiasm of people here in this Parliament, and elsewhere, who have ideas which go beyond the current institutional set-up — and I am one of them, you know — but what is being achieved here today nevertheless reveals an imaginative approach and gives everyone food for thought. It is a vital contribution and an encouragement to carry on along the path of reviving the Community.

Mr Andriessen will be following this whole debate. In accordance with what is said, he is authorized to speak on behalf of the Commission and to attempt to mark a new stage in the sphere of cooperation between the Commission and the European Parliament.

(Applause)

President. — I call the Socialist Group.¹

Mr Brandt. — Mr President, may I start by expressing my appreciation of what the President of the Commission just said. I found it interesting yesterday that one of our colleagues from Luxembourg spoke English and that Mr Pasmazoglou from Greece used the French language, and I would like to ask my colleagues why do most of us carry out an act of re-nationalization as soon as we enter the plenary hall or the committee rooms? Why do those of my colleagues, to whom I usually speak in another language, expect me in any case to deliver my observations in German? Why are we insofar more backward than even the United Nations? How ponderous do we want the interpreting facilities to become for our meetings, and even more so on travels abroad? Just think of the day when we switch from seven to nine languages or even more.

¹ *Membership of Parliament — Deadline for tabling amendments: see Minutes.*

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Let there be no mistake. I am a passionate supporter of a Europe which does not develop into a mish-mosh of cultures and languages. Our Europe ought to flourish in its diversity, otherwise it would be unfaithful to itself. Of course I appreciate the need to translate all the Community documents into the languages of the Member States. What I do not accept however is that this also applies to all speeches or that we feel a sort of artificial duty to speak in our mother tongue. At any rate I reserve the right to choose the language for myself on future occasions.

I call upon as many of my colleagues as possible to communicate with each other without considerations of prestige, however much we love our own mother tongue. Anyone who normally speaks German with me should feel free to do so even if he for example wants to comment on what I say here this morning, and my request to the presidency is to cast a critical eye on the question of languages to which I have just made brief allusion.

Mr President, the report which our colleague Mr Hänsch explained to us deserves our full acknowledgment. The same holds true for the supplement to the report by our colleague Mr Van Miert. My group will accept those reports.

Two years ago well over 100 million men and women voted to decide the composition of this Assembly. Many people hoped that those direct elections would lead to a further democratic development of the European Community. Today we know that, despite its fresh additional legitimation, this Parliament has not greatly influenced the crisis in the Community, let alone overcome it.

The European Parliament was, and remains, too weak to achieve this. Let me repeat something which recently gave some slight offence to some of my colleagues. There was apparently no wish to entrust us with a great deal. After all, what the direct elections meant was, to begin with, the result of a compromise. Moreover, there still is a danger that the European Parliament will not attain sufficient credibility. However, the Parliament cannot simply open shop and then just close down. It is not a grocer's store or a travel agency offering package tours!

With this in mind, I have come to the following conclusion. Anyone who takes the European Community seriously must surely be keen to see its structures overhauled and reformed. He must also realize that the major task and the difficult decisions in the Community cannot be postponed any longer as is the case at present. Moreover, he must see that the European Parliament cannot yet fill the gaps which have arisen and are still arising in the parliamentary process of each or most of our countries.

It is certainly no exaggeration on my part when I state that the European Community is simply not functioning well enough.

Mr President, what we have to rethink and to reform is the functioning of the European institutions, not least including the interplay between Council, Commission and Parliament. As the Hänsch report quite rightly observes, the Council has meanwhile achieved a predominance such as was not envisaged in the Treaties.

(Applause)

Similarly — and I fully share the view expressed by the President of the Commission — the insistence on a unanimous vote as a universal rule, and thus also as a blocking mechanism, is a very bad thing. By the same token it is important to note that the European Parliament's partner is the Council. The Treaty speaks about the Council and not a number of various councils.

On the other hand, I agree there is reason to welcome the fact that the Heads of State and Government at their recent meeting in Luxembourg accepted a proposal made by the German Chancellor to the effect that the acting chairperson, if I may say so, of their Council will meet with this Assembly at the beginning — or close to the beginning — of each term.

The Treaties provide for a strong Commission — and let me also say this, Mr President, of the Commission — for something much more than simply a mixture of a top administration and a clearing house for research reports and expert reports. When Parliament was arguing over a year ago that it ought to have a say in the appointment of the Commission, it proceeded in the belief that the Commission should be a strong partner of the governments and not an authority subordinate to the governments' instructions.

(Applause)

The reports submitted to us have voiced certain modest proposals about strengthening the opportunities for Parliament to exercise its influence, and these proposals have, perhaps, the advantage that they can be realized, therefore I support them. At any rate they fall within the framework provided by the existing Treaties. What we need, apart from a streamlining of Parliament's controls, is — and I repeat within the framework of the Treaties — an extension of its competence, its rights to participate in initiating legislation and its budgetary rights. The gaining of more rights and a greater sense of priorities form the basic conditions for ensuring that the European Parliament can effectively fulfil its task, and this must always be looked upon with at least one eye on a Community which still is going to be enlarged.

Five years ago, ladies and gentlemen, when the Heads of Government had announced their acceptance of direct elections, I expressed the view that a directly elected Parliament should take care of structural future oriented tasks, but things developed differently. Against this background I appreciate that the initiative

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taken by Mr Spinelli and his colleagues once more gives us an opportunity to make up our minds about how to define the Community's roles and what might be the future role of its institutional instruments. The future of the Community is something this Parliament cannot leave to diplomats, nor to governments alone . . .

(Applause)

. . . with all their burdens and worries and difficulties which we know very well, most of us. Parliament has to involve itself, and it has to do it with all the relevant political forces involved, not only within this House, but together with all those within our countries who want to contribute to the growing together of the Community. What it is all about, dear colleagues, is not the future of bureaucracy, but that of the European people.

In the next elections in 1984 the European Parliament will only be able to justify the confidence placed in it and to gain further confidence if it has proved its value in the work to resolve the main issues. These are a precondition for political union. And I just mention agriculture and energy and jobs and a development towards economic, currency and social union, and I mention further harmonization of Community law and the promotion of such steps as lead to a greater sense of identification of the individual citizens with Europe. This should be done pursuant to a new principle of integration whereby centralist bureaucracy is curbed and the agreed rules are implemented as far as possible and along decentralized lines. In other words, a principle marked by participation by the citizens.

Ladies and gentlemen, only if the Community strengthens and expands the present level of unification will the Community prove able to exercise the appropriate degree of influence and in particular to counter the dangers from the powerful arsenals of mass destruction and from the great hunger suffered in the world.

We must also continue to develop European political cooperation and this ought to be dovetailed even more than hitherto with the work of the European Parliament.

Within this context — and let me conclude by this — mention should certainly be made, as far as I can see, of the question of Europe's own responsibility in the field of security. Naturally, this is not a Community affair, as the Treaties make clear, but it is something of concern. Certainly this should not be misunderstood as being directed against the Americans, it merely reflects our growing responsibility for our own affairs. As the risks for Europe are on the increase this means that the Europeans' own responsibility is also growing. Moreover, the current world situation points to the need to define European interests as clearly as possible and to represent these interests jointly as much as possible, both within our alliance, and beyond it.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Jonker. — *(NL)* Mr President, following Mr Brandt's introductory remarks, I hope that neither you nor Mr Brandt himself nor my colleagues will take it amiss if I speak Dutch here today, since I take the view — and I am not saying this as a representative of a small country wishing to defend his language, but rather because I see it as a matter of democracy that everyone in this elected Parliament should be able to speak his own language, since otherwise we would turn into an exclusive club and we would make it impossible for thousands, indeed millions of Community citizens to stand for election as Members of the European Parliament. As it is, the Community is already drifting further and further away from the people of Europe, who no longer understand very much of what is going on in the Community. However, if we take this course, the outlook for Europe is somewhat bleak if what we are aiming at is a people's Europe.

Mr President, if I say little about the reports by Mr Hänsch, Mr Van Miert and Lady Elles etc., this is because my colleague, Mr Van Aerssen, intends to speak on them shortly, not because I have a low opinion of them. Indeed, I very much appreciate small steps of this kind. However, at the request of my Group, I intend here today to deal with the question of whether there is still anything to be done with the Community? Must we calmly accept the fact that the unification process is stagnating more and more? Must we accept the fact that the Council is by now practically incapable of making radical decisions, and must we simply accept the fact that, if the Council takes a decision, it does so behind locked doors, which is tantamount to a violation of parliamentary democracy? My Group's answer to all these questions is 'No'. I am glad to say that we basically go along with Mr Spinelli and his friends, and the initiative he has taken in this Parliament. We agree that changes are called for in the institutional system. We appreciate his initiative, but at the same time we realize that something else is required. We also appreciate the initiative made by the Political Affairs Committee under the leadership of my colleague, Mr Rumor, which has tabled a number of important reports which we are discussing here today.

As to the question of why so few Christian Democrats have signed the Abens report, the answer of the majority of my Group is quite simple. The majority of my Group did not sign this resolution because they felt that the ideas, as set out in the resolution, were too vague, and that the procedure proposed was inadequate. However, judging from the new amendments tabled by Mr Spinelli, I think we now see eye to eye. The majority of my Group felt that we should give substance to our ideas, so that we would not be forced to admit subsequently that small steps can perhaps

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sometimes be too small, and big steps too big. What we wanted to do was to determine the framework within which we would like to work. Just as we said to the Commission yesterday that it should be as specific as possible in its work, we also told ourselves that we must be as specific as possible and decide as a group exactly what direction we want to take. These were some of the reasons why the Christian-Democratic Group tabled an amendment to the Abens resolution.

Obviously what we want is a new treaty, and we want the new permanent committee to give priority to drawing up this new treaty. We are in favour of a permanent committee (a) so that we can keep a constant eye on developments to ensure that the ideas and the drafting of the new treaty do not become bogged down in political foot-dragging and bureaucracy and (b) because the work of the existing sub-committee on institutional questions should continue.

Thus, Mr Spinelli, we want a new treaty and I can assure you that our Group is unanimous on this point. Why do we want this? Because we have come to the conclusion that the fundamental lack of balance between the institutions is the main reason why the unification process has stagnated. Our Group has tabled proposals as to how a new treaty of this kind should look, and I will not go into them in detail here today. The most important thing, as we see it, is that our Parliament should be granted legislative powers, and in particular a right of initiative which must go hand-in-hand with the development of a legislative decision-making procedure under which the Council and Parliament cannot outvote each other.

The Council would only take decisions of a legislative nature in agreement with the European Parliament — on the basis, of course, of a Commission proposal. The European Parliament would only exercise its right of initiative — and hence act as a constituent assembly — in agreement with the Council. This would bring about a balance between two legitimate political forces, i.e. the Council and Parliament, as bodies which supervise and determine the process of integration. By means of its right of initiative, Parliament could make a major contribution to speeding up the decision-making process and hence the process of unification. Under the new treaty, Parliament should be the deblocking agent which enables decisions to be reached in the Community. This new treaty must therefore contain a provision whereby if the Council is unwilling or unable to make a decision, Parliament may do so and take over the decision-making process in the Community. We would be prepared, under such an arrangement, to accept that the Council could reject any such decision by unanimous vote, or, if necessary, a qualified majority.

Mr President, we take the view that the European Parliament bears a great responsibility for the further development of the Community. It is our conviction

that the institutional balance within our Community will not be fundamentally improved by all the small steps under discussion and to be decided on today. These small steps are indeed important, but they do not affect the fundamental problem, i.e. that the balance between the Community institutions is inadequate and all these points apply in the case of the consultation procedures as well.

Our views do not differ in essence from those of the Members who have the Abens resolution. A new Treaty is nothing new for us neither, since in September 1979, we submitted a similar proposal as a Group in the form of the Van Aerssen resolution. We are all perfectly aware that the original proposals by Jean Monnet and Robert Schuman for the ECSC Treaty in 1950 did not provide for the European Council of Ministers. This was incorporated later by representatives of the governments of the Member States, who said 'Let us make the Council a Community institution, and then the principle will be saved.' However, experience has shown that the Council is working less and less as a Community institution.

I do not think there is any need to delay longer. Let us get to work as Parliament. I hope everyone has realized that we do not want a new Treaty just for the sake of it, and we are not saying that we want a better balance between the institutions for the sake of the institutions. We regard the new treaty simply as a means of achieving a greater aim, i.e. to get European unification back on the rails, to bring the Community back into full bloom, and as a means of drawing up a policy in our Community which will be meaningful to the people of Europe so that they will once more have the feeling of being involved.

One might wonder, Mr President, whether or not we are being too ambitious. My answer to this is that if we, the European Parliament, start being minimalistic, what can we expect from the Council and the Commission? It is often argued that a policy must first of all be outlined for the Community and then the European Parliament given its part to play. These, Mr President, are arguments with which I have been personally familiar since 1962. However, from the historical point of view they have produced no results.

Finally, a word to the Commission. Mr Thorn said that the Commission would not leave Parliament out in the cold. We intend to hold them to this. In the Netherlands, we have a fairly well known football club, Feyenoord, which has a club song which begins 'Not words, but deeds'. The Commission must, I think, realize that there is a close link between a strengthening of the Commission and a strengthening of the European Parliament. When I say 'not words but deeds' it is clear that our Group too has gradually come around to thinking that the Commission has not done very much so far at institutional level. Perhaps it is still too early for this and we therefore look forward

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with interest to the report which is to appear by 1 October. We were careful to note that, in the answers given by the President of the Commission in the investiture debate, he avoided the term *interinstitutional agreement*. We had what Mr Bismarck had to say about the role of the Commission when we discussed the Giavazzi report, and yesterday we heard the opinion on the Commission in the mandate debate, and I must say that we do not find this very uplifting. However, if it becomes apparent here today that the European Parliament is prepared to break new ground and advance the European cause, if Parliament wants the power necessary to permit it to overcome deadlock in our Community and operate as a deblocking institute in our Community, I sincerely hope that we can count on what Mr Thorn said to the effect that he would not leave Parliament out in the cold and that the Commission would not block any proposals for a better structure with a view to establishing a better balance between the institutions. I hope, Mr President, that the Commission will remain our natural ally since if not, this will have more consequences for the Commission than for the European Parliament.

President. — I call the European Democratic Group.

Lady Elles. — (FR) Unlike the previous speaker, Mr Jonker, I shall pay tribute to Mr Brandt's excellent initiative by beginning my speech in French.

(Applause)

Getting rid of our problems in the long run is a fine aim. But one wonders what the point is of spending millions in the Member States to encourage young people to learn a foreign language if we are not ready to give the example by using a language other than our own. If we want to encourage cooperation among young people, in order to stimulate easier and closer communication, we have to show an example, and this is what Mr Brandt did in excellent fashion this morning.

(The speaker continued in Italian)

If you like, I can go on in Italian, but I do not want to get carried away and it is better if I carry on in my own language.

(The speaker continued in English)

The series of reports now before the Parliament all have one common theme: the development of the powers and the effectiveness of the role of the European Parliament in relation to other institutions of the Community, this development, of course, being achieved by changes and modifications in procedures, administrative measures, without any single amendment to existing treaties or modifying the established legal order. We look to the other institutions to meet

what are, in effect, extremely modest demands for this directly-elected Parliament. Indeed, there are no demands put forward in the proposals before the Parliament in the Van Miert and the Hänsch reports that were not already available to us.

Let us remember that no parliament has ever been granted powers, especially by those it is seeking to control. It would be folly to suggest it. Powers are not handed to us on a plate — they are seized by parliament. The parliament of the country from which I come, which has existed for 700 years, is still struggling with the executive, with bureaucracy, with government, in order to get the legitimate rights and demands of the people of the United Kingdom respected and answered within parliamentary and democratic terms.

So we can also get the powers that we seek. The Van Miert and Hänsch reports, as well as setting out ways of establishing better and improved relations with the Council, set out objectives for greater involvement of Parliament in the initiation and adopting of Community legislation and more effective ways of scrutinizing decision-making processes of the Community; and I should say to my colleague, Mr Prout, who is, of course, strictly correct in what he has said representing the views of the Legal Affairs Committee, that, nevertheless, the Political Affairs Committee has not only the right but also the duty to draw the attention of this Parliament to its options and potential which already exist. And so if these reports do not represent what might be termed a blueprint for survival, they could at least be called a blueprint for continued progress along the way in which the Parliament should go. And we have indeed, since this Parliament has been directly elected, already made some advance in strengthening our position *vis-à-vis* the Commission through the modification of our existing procedures under the rules which were recently adopted by this Parliament.

I now wish to refer to specific amendments tabled on behalf of the European Democratic Group, and I will just single out a few. The first is to the report by Mr Diligent on relations between this Parliament and the national parliaments. We do not in this group believe that it is either practicable or desirable for Members of the European Parliament to take part in the official proceedings of national parliaments: otherwise we shall also be subject to members of national parliaments saying, 'Why cannot we have a right to speak in the European Parliament'? Surely this is something we would not allow. I therefore do not think it is sensible or reasonable to ask that we should take part in the proceedings of elected bodies elsewhere. Secondly, the existing information offices of the European Parliament in the various capitals should be used by political groups to ensure links with national political groups. We do not see the need to establish new offices where these do not already exist.

Elles

One paragraph of the motion for a resolution contained in the van Miert report refers to what in English — though this phrase is not used in the actual text — would be described as framework directives. Now while these are to be encouraged, the Council or Commission must on no account imagine that they will escape the scrutiny of this Parliament. Any secondary legislation which flows from these framework directives must come before this Parliament for its opinion and for any amendments which may be needed to the text. This is something which I think this Parliament should insist upon.

Another paragraph in the Van Miert resolution says that the Commission is requested to draft legislation on the basis of every proposal from this Parliament for the initiation of Community legislation. We believe, of course, that this is an unreasonable request. The Commission should be able to decide the proposals and initiatives on which they will draft legislation on our behalf. Where they do not, they should come back to the Parliament and explain why not. If we were to have a constant flow of proposals from this Parliament on many matters which might appear to be irrelevant to the ongoing activities of the Community, they would become cheap currency and would not be treated by the Commission with the respect they deserved. For this reason I think it must be the Commission that decides on which initiatives they will draft legislation for submission to this Parliament. Otherwise we shall not get anywhere with the Commission at all.

On the Hänsch report I would merely refer to one obscurity in the English text of paragraph 19 with regard to the European Parliament's role and the Financial Regulation, and I very much hope that the rapporteur will accept that amendment.

In conclusion, Mr President, many of the matters which we could have raised have already been touched upon by the President of the Commission, whose words we warmly welcome in this group, and also by Mr Brandt, but I think it is well that this Parliament and all of us should remember that no revision of any treaty will make this Parliament a better parliament. A better parliament will come from the membership within that parliament and the opportunities that we have.

Our task is to meet the economic and social aspirations of our citizens by our work in this Parliament. We have so far done very little. How many jobs have we created through the millions of words and the millions of documents we have produced in this Parliament? Yet we are faced with the greatest unemployment problem Western Europe has ever known. This Parliament, which represents 270 million people, has the task of meeting that particular problem head on. Have we in this Parliament created one single job for any young person in any of our Member States by our discussions and our debates? If we have, then we

will have served a purpose. If we have not, then we have not yet served the purpose for which we were elected.

So, Mr President, while recognizing that the initiatives in these reports are valuable to the contribution of Parliament in determining the way we should go, let us realize that our real strength lies in our own potential and our own capabilities and not in bits of paper or resolutions.

(Applause)

President. — I call the Communist and Allies Group.

Mr De Pasquale. — (IT) Mr President, here we are at last at the moment when we have to make our first moves regarding the future of the Community institutions and this Parliament. We do not underestimate the importance of this moment. Anyhow, in my opinion the experience we have gained here together over the last couple of years has served to strengthen in many of us the firm belief that the European approach is vital if we are going to champion the role of the western democracies in world affairs and encourage, within our countries, the invigorating spirit of the democratic workers' movement, whose various member groups throughout Europe are being prompted to get to know one another and to come together, to overcome differences and to get to the hearts of things in order to work out a common strategy.

If the truth be known, it is the workers who are keenest about the construction of a united and democratic Europe. It is a well-known fact that the massive multinationals now have an unlimited scope for manoeuvre which knows no boundaries, while workers' movements and organizations are forced to work at a more restricted level and come a very poor second to capitalist sway and power. The gap has just got worse and worse and it is now one of the main reasons for the economic and social upheaval which Europe is going through. But apart from all this, there is also the fact that the basic challenges of the times we live in — the challenges of peace, development and the rational and fair use of resources — cannot be met without the help of a European Community of an entirely different kind. The current weakness in the Community and the hold-ups in Community affairs are producing a mood of crisis and uncertainty in the world and are creating a void which cannot be filled, as we have seen, either by action by individual States or by special relations between some of them.

It is quite natural that anyone who is campaigning, as we are, for a new and fair society in liberty and peace should also want a more independent and stronger Community, with its own responsibilities and resources, its own policies and therefore its own

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powers to legislate and decide, to supervise and plan. We are also aware that other political forces, with greater power than we have and with a different view of how things should be from what we have, also want to see European Union go farther. What we have in common in my view is the desire to keep world rivalry within the bounds of peace, and social rivalry within the bounds of democracy. It is only when these forces which are so different get together that we can be sure of success in the arduous campaign for a more progressive institutional set-up in the Community.

Consequently, the European Parliament is the representative body which is most capable of expressing this joint determination. We have before us today a related series of proposals, and I want to outline briefly the view of the Italian Members of the Communist and Allies Group. There is the motion which came out of the initiative by Mr Spinelli and which has been signed by 180 Members, and we also have the proposals drawn up by the Political Affairs Committee which worked carefully and assiduously on them. Let me say right away that these two sets of measures do not conflict and, indeed, they fit in nicely with each other. This Parliament of ours cannot get out of proposing a new institutional balance through a review of the Treaties. It is bound to act in this way. I do not want to use a fancy word like 'constituent' but there is no getting away from the fact that the main answer that a Parliament like ours has to give the voters, with the second set of elections coming round as well, is to give them the idea of a new and different Community, in which the main features are political and economic unity and the principle of democratic representation. For this reason we endorse to the hilt the motion by the 180 Members, who include ourselves, and we hope it will be adopted. A whole series of difficult problems will then emerge, and we shall be put on a line to come up with balanced and serious proposals which will actually be feasible in the circumstances. But it is too early to go into that now.

What is urgent, however, is that we should ensure immediately, before this reform, that Parliament's current powers are strengthened and that more heed is taken of its views within the framework of the Treaties. I do not go along with the idea that there is nothing to be done within the framework of the Treaties, apart from the odd minor change here and there. The work which has been done by the Political Affairs Committee and its rapporteurs — whom we thank — does show that there is a lot to be done, a lot of points to be tidied up. As the years have gone by, the institutional balance which the Treaties sought has got out of kilter as a result of series of infringements affecting Parliament and the Commission. You would hardly know there was any balance nowadays. A response is needed, and the opportunity is there with these proposals from the Political Affairs Committee. We therefore welcome them, even though we disagreed on one or two specific points. On the whole, however, the idea behind them all is sound and on the right lines.

We therefore intend to vote in favour of these motions, provided they are not distorted by unacceptable amendments.

Nevertheless, if we really want to achieve something, we cannot just stick to the bureaucratic route of sending these resolutions on to the Council and the Commission and waiting for them to have a look at them. Heaven knows when they will get round to it. This is not routine business, and we need something more than the usual way of concluding our resolutions. We are not giving an opinion here about cod fishing or making some suggestion about the size of lorries. We are dealing here with matters which are vitally important for the way this Parliament operates, and we need to make some political statement which will force everyone, without wasting any time, to adopt specific responsibility.

We have suggested to the Political Affairs Committee and its chairman that these reports be given a different ending from usual. The Presidency is asked to set up a parliamentary delegation with the job of making an immediate start on negotiations to arrive at an inter-institutional agreement to be endorsed by a joint declaration signed by Parliament, the Commission and the Council. It would be wrong to ask for separate discussions on each of these resolutions, as we should just get lost in red tape and put off a decision, which if anything is going to come of it, has to be direct and to the point. There has to be only one set of negotiations concentrating on the main ideas and leaving aside the details. There was a large majority in favour of this in the Political Affairs Committee and, as a result, we want to ask the committee chairman and the rapporteurs to ensure that this proposal, in the form of an agreed amendment, is put to the vote here in the House.

Ladies and gentlemen, we have to show that this Parliament not only wants to open the way to a new institutional set-up, in line with the Community's new tasks, but is also determined to stop anyone else from barring the way for a long time to come.

President. — I call the Liberal and Democratic Group.

Mr Nord. — (NL) Mr President, the resolution tabled by Mr Abens and others, which is better known in the lobbies as the 'Crocodile Resolution', was signed by over half of the Members of my Group. We signed it with conviction, and I should like very briefly to explain some of our main reasons for doing so. A great deal has definitely been achieved over the 30 years for which the European Community has existed. We have overcome a lot of old enmities, and even though unification is still at a very early stage, the Community has become a world force which can make its mark in the interests of peace and human solidarity. The number of countries wishing to be

Nord

involved in this historical process has also increased, and appears by all accounts to be likely to widen still further in the future.

In the light of these initial successes, it is strange and somewhat paradoxical to see that we have now reached a phase of stagnation. In many quarters we can see a certain tiredness, apathy, defeatism as regards Europe and a tendency to fall back on trusty old national thought and behaviour patterns which have become parochial over the years. It is as if we had become afraid of our own courage. What we need therefore is fresh wind in our sails. This idea is on practically everyone's lips. The Commission says this and our government leaders too. People are talking about a new overall strategy and about a second-generation Europe.

Mr Genscher wants a treaty on political union and Mr Colombo is speaking in terms of new initiatives which will particularly concern the functioning of our institutions, and this is the crux of the resolution before us today. If the Community is looking for new impetus and wants to develop further in the interests of the Member States and their peoples, it will have to reconsider the instruments at its disposal and adapt them to future requirements — if possible within the existing treaties but, if necessary, by entering into new commitments. The Community must be ready for decision and action. There is a need for a new balance between the institutions based on the principle that our Community consists not only of countries but also and in particular — of citizens, of people. It will only be possible to bring about European Union if this is what the peoples of Europe want. The European Parliament, as directly-elected mouthpiece of these people, must therefore take the initiative. This idea was put forward in the 1979 electoral programme of the European Liberals, and we are glad to see that many people share this view.

Mr President, it is a large scale and far reaching operation on which we are embarking and it will be far from easy, and we will have to overcome a great deal of resistance. If we are to succeed, we will have to mobilize all the various political sources. None of us can lay claim to an exclusive knowledge of this field. Every one of us has a duty to make his own contribution. My Group regards it as vital that Parliament should devote itself to this task, and do so in a way which is likely to have the support of the biggest possible majority, and this is the spirit in which we view the amendments which have been tabled. We do not intend to cling slavishly to certain wordings, and we are prepared to support the texts proposed by others provided they are in keeping with what we fundamentally have in mind. Looking at the package of amendments before us today I get the impression that it will not be all that difficult, when we come to vote, to reach agreement on a text which will be reasonably satisfactory for all concerned.

The institutional debate is as old as the Community itself, but nevertheless it is always new since developments constantly present us with new challenges. Today we can add a new dimension to this debate by taking a parliamentary initiative which should come to play a major part in the future. The decision which our Parliament is to take this week is, in our view, one of the most important in its history. I should like to say on behalf of the Liberal and Democratic Group that we are fully in favour of it.

President. — I call the Group of European Progressive Democrats.

Mr Israel. — (*FR*) Mr President, ladies and gentlemen, the Group of European Progressive Democrats, on whose behalf I am speaking here, will be voting for most of what is in the reports now before the House. I have nothing to say about the reports by Mrs Baduel Glorioso and Mr Diligent, except that they are to be thanked for the excellent work they have done. We are quite happy to vote for their reports. But when it comes to the pair of reports by Mr Van Miert and Mr Hänsch, I think we ought to take a closer look at them.

Before I do anything else I want to thank the rapporteurs because both of them — Mr Van Miert more so than Mr Hänsch — have avoided the pitfall of proposing a modification to the Treaties. As far as this goes, we were delighted to see that the rapporteurs made an effort to get the maximum use out of the existing treaties. Mr Rumor, whose words were echoed by Mr Thorn, was quite right when he said there is a lot which has been unsaid, unvoiced and unexploited as regards the Treaties, and that our task is to make the best possible use of the provisions of the Treaties as they stand.

If I may be forgiven for saying so, there is a rather basic flaw in Mr Hänsch's report. In theological terms it is rather as though we were trying to go straight from God the Father to the Holy Ghost while missing out the Son. Relations between the Council and Parliament really have to go through an intermediary body which exists and which goes by the name of the Commission. But as Mr Rumor said, let us get on with the political and institutional aspects, and perhaps we can forget about the theological implications.

My group has tabled a fair number of amendments and I should like to say a couple of quick words about them. In the first place, we felt it was a good idea to get rid of one of the points in the Hänsch report on the way the Commission is appointed. Mr Hänsch proposes that the appointment of the European Commission should come under Parliament, in line with the Rey proposal. We have tabled an important amendment on this matter and we think Parliament would be making a wise move if it adopted it.

Israel

There are one or two problems of style. In paragraphs 12 and 14 Mr Hänsch *Demands that the Council*. I do not think it is a very good idea for this Parliament to demand anything of the Council.

There is also a bit of a problem with consistency. Mr Hänsch's report is on the relations between Parliament and the Council, and not about how the Council works. Speaking personally, I am inclined to think that the whole section in the Hänsch report on the Council's work is a bit off limits. And it is territory fraught with danger because the Council is being asked to give up the unanimity rule. Anyway, the report contradicts itself because elsewhere the Council is asked to make use of abstention to facilitate decision-making.

As you can see, there are several minor points of criticism we want to express so that the rapporteur can bear them in mind when we get round to discussing the amendments. However, like everyone here in the Chamber, we feel that Mr Hänsch's report is pushing the House in the right direction and provides a fascinating contribution. I really do want to thank the rapporteur.

I also want to say a couple of words, Mr President, about the report by Lady Elles. Make no mistake, it is extremely important for our work as Members. Lady Elles has a useful and original concept of political cooperation. Roughly, what she proposes — and I think I have got it right — is to eliminate entirely the distinction between the Council of Ministers and the Council of Ministers meeting in political cooperation. In other words, she wants to institutionalize political cooperation. It is not by chance that this proposal has been made. What it means is that, if political cooperation were to be institutionalized, this Parliament of ours, would have a much bigger say than it has at the moment, especially regarding the harmonization of Community foreign policy, which is the main issue.

If you ask me — and the Group shares my opinion — one of the things I might criticize the Elles report for is that it fails to mention the international safeguarding of human rights. But where, ladies and gentlemen, could you place the issue of human rights in the Community framework unless it comes under political cooperation? If Lady Elles does not mind, we should like to table an amendment seeking to have the provisions on human rights included under political cooperation. We really think this ought to have been in the report.

Another thing, Mr President, is that we entirely agree with Lady Elles and her idea of having a permanent secretariat for political cooperation. It is an old idea. It was the French who thought of it. It was in the Fouchet report. We could not agree more with Lady Elles on this point.

One last point, which is very important. It concerns defence. It is unthinkable of course to imagine that, with the world as it is today, the Foreign Ministers can discuss international affairs without bringing in security. And yet it was spelt out to us in the Political Affairs Committee that discussions on security do not mean discussions on defence. Defence is the concern of the defence ministers and the armed forces ministers and chiefs of staff, while security is just part of the political strategy in our relations with the other great powers. Having made this clear, and if we all agree that defence is not the same as security, we can happily endorse this view. But since it is better if things are made clear, we have tabled a minor amendment on the inclusion of defence in the CSCE talks, the Helsinki Conference. I hope Lady Elles will agree to it.

Mr President, everything we have to say on the institutional matters of our Community is of extreme importance. We are happy that Parliament has managed to go into all these problems in an open and expert manner and — I might add — with a great deal of sincerity.

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mrs Hammerich. — (DA) Mr President, unlike Mr Brandt and Lady Elles, I intend to speak in my mother tongue, and Mr Brandt will, I think, understand that this is not only a national question but also a social one, since surely no-one believes that one has to be a member of an élite which is accomplished in foreign languages before becoming a Member of this Parliament.

All the reports we are discussing here today, with the exception of Mrs Baduel Glorioso's, are concerned with giving the Community and, in particular, this Assembly, more power. We have spoken against these reports in the Political Affairs Committee, expressed minority views and voted against them — not because we are opposed to parliamentary control, but precisely because we set great store by democracy, even near-democracy. We also have great respect for international cooperation between sovereign states where the individual peoples remain in control of social developments. For this reason, we think that all the small and large steps towards new powers for the Community would constitute not democratic progress but rather depressing steps backwards — always assuming that they get beyond the paper stage which they will probably not, since in our country there is a solid majority opposed to a European Union, and our government is fortunately not prepared to reduce the influence of our Folketing either.

As regards the individual proposals, the 'crocodiles' would like to see the private efforts of this club to

Hammerich

make the European Community a major power to take place in a working party and be financed out of Community funds. We do not find the crocodile any more likeable for that. The Hänsch and Van Miert's reports are very cautious. They do not call for troublesome changes to the Treaty, but voluntary agreements with the Council and the Commission which are supposed to approve new powers for Parliament. Practice could then subsequently be made law. We are against this underhand method which would rule out the possibility of an open debate on the distribution of power. Proper proposals for revision of the Treaties would at least be more honest and democratic, since they would presuppose a debate in the individual countries. What is particularly controversial in these two reports is the fact that they reflect a wish to interfere in the Council's working method, to destroy the right of veto and to grasp the right to be consulted on any question that Parliament might wish. It is even proposed that the various specialized Ministers should turn up at meetings of the Parliamentary Committees, as if they didn't have enough to do already running their countries.

We have no wish whatsoever to see the Council made dependent on this Parliament — on the contrary, we should like to see the influence which our Folketing and market committee still has on Community policy increased. We also find it ridiculous that the Commission should have legislative power as proposed by Mr Hänsch in Paragraph 29.

The Diligent report proposes coordination between the national parliaments and the European Parliament in the interests of a united Europe. It is proposed, *inter alia*, that the Members of this Assembly should have a right to speak in the national parliaments, and that the chairman and spokesmen of the national political parties should spend time meeting their so-called colleagues in this Parliament. The European political groups want to increase their influence on the national parliaments. We, however, must insist on the total sovereignty of our Folketing and political parties *vis-à-vis* this Assembly. They should only let themselves be guided by their voters and exercise the democratic control which they have been authorized to do by the people of Denmark alone.

However, Lady Elles' proposal regarding Community foreign and security policy is far more militant. Practically every point in her proposal falls outside the Treaty of Rome. She wants to see political cooperation made an integral part of the Community, with a joint secretariat and subject to the influence of this Assembly and the Political Affairs Committee. Paragraphs 3 and 4 are particularly objectionable. They suggest establishing a procedure under which a meeting between the Foreign Ministers of the Ten could be convened within 48 hours, and that other ministers could be invited to attend too. She is thinking here of the Ministers of Defence who could

deal with 'matters . . . that have a bearing on the security of the Member States'. This is not legal, and I can assure Lady Elles that we do not agree with her that everything which is not forbidden is permitted. However, we take consolation in the fact that, in spite of this attempt to make a giant step towards turning the Community into a military superpower, she will find that she is simply being marking time.

We realize that we will not be able to persuade the majority here in this House to take a realistic view of things or to save them from losing face yet again, but we are equally certain that the people of Denmark, our Folketing and our government will hold up this proposal, and fortunately they can still do this.

President. — I call the non-attached Members.

Mr Almirante. — (*IT*) Mr President, since the honourable Member who has just spoken said she was in complete disagreement with the rapporteurs, especially Lady Elles, it is now my privilege to say that I am in complete disagreement with her.

The first thing I want to say is that I totally endorse the report by Mr Diligent, and I am not saying this for form's sake but expressing real support. As soon as we get back to Italy, Mr Romualdi and I — since we are both national MPs as well — intend to contact the speaker's offices in the Chamber of Deputies and the Senate to urge that political integration is no longer just mooted but actually comes about. After all, this is the task of European MPs in their home parliaments and political integration is what the Diligent report advocates. Provided there is a measure of good will and understanding on the part of the leaders of the national parliaments, I think it will be very simple to achieve what the Diligent report rightly advocates. I even think that more could be achieved, since it is high time the national parliaments acknowledged the legal status of European MPs, so that they become Members of the European Parliament alone and not national MPs as well.

The point I want to talk about here — albeit briefly, in accordance with the Rules of Procedure — is the one which was brought out in the Hänsch and Van Miert reports, but especially in the Hänsch report which gets my total support, although we have tabled an amendment or two. Speaking of this report, I want to say something about paragraph 2 of the motion for a resolution which reads:

While a corresponding revision of the Treaties would be necessary in order for Parliament to acquire the right of co-decision due to it by virtue of its democratic legitimation, it is also possible to increase its influence on Community decisions within the existing provisions of the Treaties.

Almirante

We are delighted that this point, which constitutes the basic issue, was taken up in a positive and influential fashion by Mr Thorn this morning in his speech which gained deserved applause. It is of great importance that Mr Thorn has taken official note of the fact that any request for a revision of the Treaties does not run counter to a request to use the spirit and the letter of the Treaties to augment the importance and influence of Parliament and that *vice versa* the door leading to a revision of the Treaties must be kept open, since it is of course already open.

There is another point I want to make here. In view of the fact that a large majority of the House is in agreement — this was clearly illustrated by the applause — with the ideas of Mr Hänsch, which are also Mr Thorn's ideas, and in view of the fact that a vast majority of the House agrees that in revising the Treaties or in making more careful use of them where the authority and efficiency of this Parliament are concerned — and this is the goal we have to aim for — it is right to ask who encourages and prompts and represents the political will of Parliament, the question that arises is what the driving force is. Personally, I think there should be a more positive role for the President of the House, since I do not think this role should be limited to ensuring that the Rules are being complied with. Also, and more important, there is the political role of interpreting the political will of the vast majority of the House, almost every Member here. Unless this is the case, we are going to be told — as we have been told before — that the debate on this matter will be continued at the next part-session. And then at the next part-session the whole matter could be deferred again. In the meantime, the President of the Commission will be acting indirectly as the expression of our political will. The fact is that the President, Mr Thorn, has rightly told us that we have to be realistic and make gradual progress, step by step, on what can be achieved.

I therefore think that progress has to be made by one small step at a time. I am not ready to believe it can be achieved by giant leaps. Be that as it may, if we are going to make progress even a step at a time, we need the President of Parliament to speak on our behalf with all the authority which stems from the almost unanimous agreement of the Members of this Parliament. We are calling on the President of the House — and this is what we were expecting when we elected her to this position two years ago — to interpret the desire of this Parliament to become a genuine parliament, because this is really what the matter is all about. A genuine parliament really must have a political and budgetary role and the power to investigate and to legislate. But do we have any investigatory powers, any supervisory role *vis-à-vis* the government, in this instance the Council of Ministers? The answer is very little. Everyone here knows how difficult it is to get an answer to a question put to the Council of Ministers, and how in the end you just get some vague, elusive and generally unsatisfactory reply, quite

apart from the fact that we have no comeback to get from the Council, the government of Europe, or from the governments of Europe, an answer to queries which we feel justified in asking.

As for the power to legislate, this is simply a non-starter, unless you count motions for resolutions, which give us just a consultative role. Anyway, our resolutions usually get lost on the Commission or Council desks.

And what about our political role? Right now this exists only to the extent of adopting positions and making recommendations and requests. But there is no one with any authority to act on these requests.

Consider the budgetary role. You all know very well the shocking manner in which this is carried out. We all remember what happened last year. We got out of that one, perhaps not brilliantly but with some of the shine still there. Nevertheless, the budget does not depend at all on the supposedly independent will of this mock parliament. If Parliament is going to be a genuine parliament, we need to fight for acceptance of our political and budgetary role and of the right to investigate and legislate. At present, we are doing very little of this and doing it rather badly. I want this to be taken as a form of self-criticism, because of course I would not presume to criticize any other group or any other Member in this House. This criticism is addressed objectively at each and every one of us.

We are at a vital turning-point, because we could be heading for the collapse of Europe, and I do not mean the collapse of the European Parliament, because as far as the general public, the people and — why not admit it? — the voters are concerned, this is what Europe is about. The verdict the voters are going to give in three years' time, if we get that far, will depend on the contacts between each country and the European MPs, on what they can report and on what they will have managed to achieve. This is true in the case of all the States represented here, and I might add it is particularly true in the case of the countries which were expecting most from Europe. I am talking about the so-called non-emergent countries which are creaking under the burden of chronic social and economic problems, quite apart from the moral and spiritual crises. I am also talking about countries like Italy which are beset by so many problems and which were expecting more from Europe than other States were, as is borne out by the fact that the people of Italy flocked to the polls when electing their representatives to the European Parliament.

We should not like the collapse of the European Parliament to result in victory for the tiny and unimportant parties which are campaigning here against Europe after campaigning legitimately — as they see it — against Europe in their own countries.

Almirante

Consequently, we call on the President of this Parliament to adopt a bold and vigorous approach in defending our rights.

President. — I call Mrs Van den Heuvel.

Mrs Van den Heuvel. — (NL) Mr President, before making my contribution proper to this debate I should like, if I may, to make a brief observation regarding what my colleague, Mr Willy Brandt, has just said about the use of the Community languages. I should like to stress that Mr Brandt was speaking exclusively on his own behalf, and not on my behalf nor on behalf of our Group, which expressed a completely different view at a recent meeting at which it decided to table a motion explicitly calling for all the Community languages to be maintained.

To turn to today's debate, I should like to say that the preparations for this debate on various institutional questions has been one of the most encouraging experiences I have had as a Member of this Parliament. The reports before us — even the so-called 'Crocodile Resolution' — contain a number of imaginative, but nonetheless realistic, proposals for possible improvements in the working of the European Parliament. A directly elected, self-assured European Parliament has been to work on these questions and is still dealing with them. I think, therefore, that we should all congratulate the rapporteurs who have been involved in this debate, as well as the Members who took the initiative for the Crocodile Resolution. I must say that after my experience yesterday in this Parliament — a day when, in my view, Parliament failed miserably and fell victim to its own lack of unity in issuing its opinion on the seat of the institution, a day which, in my view, was a gloomy page in the history of European integration — I need encouragement of this kind more than ever, both as a consolation for myself and as a sign of hope for Parliament.

In my contribution to this debate, I shall restrict myself mainly to the question of political cooperation, but I should also like to say a word of praise for the opinion of the rapporteur on this subject, Lady Elles. She has produced a fine piece of work which deserves a place of honour in the corpus of literature on European political cooperation which has gradually been built up.

Anyone who, like myself, has just returned from an inter-group mission to Central America, will understand better than anyone else the importance of the role Europe can play, and is already playing in many people's view — particularly outside Europe — in the field of foreign policy, and particularly as a force for stability and peace. It is remarkable to see how Europe, which is internally split from top to bottom, and which we so often talk about in either despairing or negative and critical terms, depending on our view,

should be experienced as a unit in various parts of the world — for example, Central and South America — and what an important role is assigned to this Europe, as I described above.

On the one hand, we might derive some satisfaction from this fact — after all, sometimes we have to make the best of what we have got — but on the other hand, it should spur us into taking initiatives and setting up structures which will enable us to live up to expectations. Lady Elles' report represents a genuine effort in this direction. The fact that I praised her work a few moments ago does not mean I go along with all her views. I do not, for example, share her view as to what would constitute the most desirable form of political cooperation, which, I think, is most apparent from Chapter 7 of her report in which she regretfully concludes that almost every one of the successive Chairmen of the Foreign Ministers had said that the task of EPC was not to develop and operate common foreign policy.

I do not think either that it would be in the interests of the role of Europe as regards foreign policy if Community common policy — in the broadest sense of the term — were to be institutionalized and formalized. As long as the foreign policy of a large number of states is too much determined by considerations of power politics, there can be no doubt that it is vital for the smaller countries of the Community to be able at certain times to argue their own independent views, even if this occasionally involves sometimes adopting a somewhat intransigent attitude.

However, the concrete proposals made by Lady Elles in her motion for a resolution demonstrate that the coordination of foreign policy could be improved in many ways, and I go along wholeheartedly with most of these proposals with the exception, however, of the suggestion that a permanent secretariat should be set up to deal with matters of foreign policy, since there is a danger that a political secretariat as she advocates in the motion for a resolution might come to develop autonomously, with the result that European Political Cooperation would become less, rather than more, integrated into Community activities. If we do need a better infrastructure for European Political Cooperation — and I am tempted to join Lady Elles in thinking that we do — the form which this infrastructure takes must be such as to make it clear that political cooperation can only take place in close conjunction with the activities of the Council. For this reason, a secretariat for Political Cooperation could, in my view, only be accommodated within the Council Secretariat. It will therefore be clear that I intend to support Amendment No 5 by my colleagues Mr Van Miert, Mrs Focke, and Mr Cohen.

Mr President, ten countries of Europe, each with its own history and parliamentary tradition are on the road towards closer cooperation. It is virtually inevitable that the path will not always be smooth, and

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yesterday, I think, Parliament stumbled and fell. However, I hope that today we will be able to show that we can stand up again and that we know how to make steps in the direction of a united but, above all, democratic Europe.

(Applause)

IN THE CHAIR: MRS VEIL

President

President. — The debate is now suspended and will be resumed tomorrow morning.

4. European Council in Luxembourg — Programme of the British Presidency

President. — The next item is the general debate on the statements by the Council and the Commission on the recent European Council, and the statement by the Council on the Programme of the British presidency. However, before I call Lord Carrington, I should like to say a few words on this, the second anniversary of the election of this Parliament by direct universal suffrage.

269 opinions for the Council, 145 own-initiative reports, 134 urgent resolutions, 15 220 amendments 4 649 written questions, 80 oral questions and 1 600 topical questions serve to illustrate only a part of the work accomplished by Parliament during the last two years.

I should like to pay tribute to the work done by the Vice-Presidents, the Quaestors, the chairmen of the political groups and of the committees and interparliamentary delegations; these results are all the more remarkable since the conditions under which our Institution has had to operate have been and remain extremely difficult.

(Applause from various quarters)

The governments must realize that Parliament, which yesterday clearly showed its desire for conciliation, cannot even so accept indefinitely a situation which seriously compromises both its image and its ability to function properly.

(Applause from various quarters)

By affirming the presence of Europe in the world — and the strengthening of our relations with the parlia-

ments of numerous non-member countries and with other international organizations, as well as the visit of President Sadat, who chose to use the forum of the Parliament to speak to Europe, are ample evidence that this has been done — Parliament has played a considerable part in drawing attention to the international significance of the mission of the European Community, a mission of balance, peace, cooperation and solidarity.

I wish solemnly to declare that the European Parliament has undertaken the task assigned to it by the Treaties and has fulfilled its role as an Assembly elected by direct universal suffrage. I strongly refute, therefore, certain of the criticisms sometimes levelled against our Institution. We are the first to recognize the limits of some of our work and we want to see Parliament, as the house of the peoples of Europe, remain an open and transparent institution. However, we cannot tolerate unfair and negative criticism which does not seek to strengthen Parliament's ability to act, to improve its functioning and to support it in the role it has to play within the Community.

We know that such criticism is too often inspired by a desire to weaken the Community itself by attacking its democratic institution. There is no doubt that we are passing through one of the most difficult periods the Community has ever experienced — we are faced by a very serious economic and social situation and a dangerous crisis of European identity.

In its voting on the 1980 and 1981 budgets Parliament has already expressed its major concerns and its desire to give a new direction to Community action. The debate on the Commission's proposals, which began yesterday and is to continue in the autumn, the statement we are shortly to hear from the President of the Council on the Council's programme for the next six months and the debate on political and institutional problems which is to end tomorrow, are all indications of Parliament's desire to remain at the very centre of the debate during these difficult times.

In the future, and looking ahead to the elections due to take place in 1984, our main task will be to respond to the disaffection shown by public opinion towards Europe. This is a feeling which applies not only to the Community as a whole, but also to each individual institution, and Parliament in particular. To remedy this we must make greater efforts to improve our internal organization and to give greater coherence to our agendas, our debates and the relations between the parliamentary committees and the Assembly. But above all else we must give a fresh impetus to the idea of European unity in all the Member States and all the institutions of the Community.

The Council cannot continue to turn a deaf ear to our appeals but must accept the need to step up its dialogue with Parliament, a dialogue which is the foundation for any real progress in the construction of

President

Europe. And here I refer to both the Council of the European Communities and the European Council, which cannot ignore a Parliament elected by direct universal suffrage.

(Applause from various quarters)

The construction of Europe has been successful because, from the outset, it has represented a hope and a future prospect for the people of our countries. It must continue to do so by finding European solutions to the challenges which face us — the challenge of the economic and monetary crisis, the redefinition of the balance of power in the world, particularly North/South relations, and the challenge of peace and liberty.

This can be done only if all the governments, each one of us, reject a self-interested view of the future.

Like any active and dynamic community, Europe can only consolidate its achievements and make further progress if all sides accept the compromises necessary for the formulation of policies which satisfy their vital interests. Our task is to stress this constantly in the institutions of the Community but above all to our governments and to the Council.

It was in this spirit that I met last week the Presidents of the Parliaments of the Member States, who were unanimous in affirming the democratic role of the European Community and its components, while remaining anxious to safeguard their own individual positions and traditions.

It is in this spirit that we shall approach the major debates in the autumn which our committees are now preparing. These are difficult times and it is Parliament's duty to recall this — without pessimism but in a spirit of realism in the interests of progress in the Community.

It is with these sentiments, President of the Council, members of the Commission, ladies and gentlemen, that I now call the Council.

(Applause)

Lord Carrington, *President-in-Office of the Council.* — Madam President, it is a great honour to be here on the second anniversary of direct elections and I think in these last two years this Parliament has amply demonstrated its vigour and its usefulness, and I am glad to be here today.

It is, of course, my first duty at the beginning of the British presidency to report on the European Council in Luxembourg. This of course marked the end of the Dutch presidency, and I must therefore take the opportunity to pay my predecessors the tribute that they have well deserved. We in Britain are fortunate that our two presidencies have followed those of the

Netherlands. Under their able chairmanship the Community has been able to make progress on a wide range of issues, and let me mention just three areas where their presidency has played a particularly valuable role.

First there was the agricultural price-fixing last March when agreement was reached with a pleasant absence of the delay and acrimony which has occasionally characterized this exercise in earlier years.

(Laughter)

Secondly, the important progress made on tackling the problems arising from the crisis in the steel industry showed that the Community is capable of responding to the social and industrial problems of the 80s. This augurs well for the future. And in the Middle East the patient and persistent work of Mr van der Klaauw has enhanced the reputation of European diplomacy and kept alive the hope that Europe has a contribution to make to an eventual settlement of the problems afflicting this troubled, but vital area of the world. In one other important sector, fisheries, the Presidency's efforts, through no fault of their own, did not bring success. We inherit the task from them and consider it a high priority to conclude the negotiations which have already lasted for longer than is good for the Community or for the wellbeing of its fishermen.

The final act of the Dutch presidency was the European Council which took place in Luxembourg last week. You will already have seen the exhaustive comments and press accounts of this Council, which provided a valuable opportunity for the Heads of Government to make progress on a range of Community matters. I will therefore concentrate on the main points.

The discussion of the economic situation provided the occasion for a worthwhile exchange of views between the Heads of Government. The Commission had contributed a useful paper analysing the prospects. The Council saw the first cautious signs of limited improvement in the business cycle, but at a time when inflation and unemployment have by no means been brought under control. The Council unanimously agreed on objectives: to overcome inflation and unemployment and to return to a situation of economic growth, stability and satisfactory levels of employment. The Council recognised, however, that the major responsibility for tackling these problems lies with national governments because action needs to take account of the different economic situations in each Member State. The differing levels of unemployment, balance of payments and budget deficits mean differing constraints and opportunities for member countries.

However, the effectiveness of action by national governments can be increased by coordination within a Community framework. In this context the Euro-

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pean Council reviewed the work of the so-called 'Jumbo' Council and agreed that it had laid a firm basis for future coordinated action to combat inflation and unemployment. The Council was also particularly concerned that full use should be made of the Community's financial instruments and of the facilities of the European Investment Bank to stimulate the flow of productive investment, including the growth potential in small and medium businesses.

The Council also recognised that the changing patterns of world trade mean structural changes in our own industries. The focus should be on investment in industries with potential for the future rather than on economic activities that are bound to decline in importance. There was agreement on the need to improve the Community's internal market for both goods and services.

The Heads of Government also reviewed the matters for discussion at the forthcoming Economic Summit meeting in Ottawa and were agreed on the need for a united front in the face of the current level and volatility of interest rates, which could retard economic recovery in the Community. They agreed that the Community should do its part to relieve the strain in monetary policy. These questions will be pursued during discussions with the other major monetary powers, including the United States.

On trade, the Council discussed the threat to the smooth functioning of the trading system from the excessive concentration of Japanese exports on sensitive sectors. They stressed the need in particular for the Japanese market to be effectively open to foreign trade. This will need to be pursued within the Community and at Ottawa.

The Council approved the recent report of the Foreign Affairs Council on North/South policy. They agreed that cooperation with the developing world and the strengthening of international economic relations serve the interest of all the countries involved and that it was intolerable that large areas of the developing world still suffer from poverty and hunger. The Council therefore took the view that the preparatory work for the new series of global negotiations should be completed as soon as possible and stressed that the Summits of Ottawa and Cancun should give an impetus to this work.

The European Council discussed what action should follow the Commission report on restructuring the Community budget. They agreed that after the necessary clarification of the Commission's document has taken place, a special group would be set up to assist the Foreign Affairs Council in the preparation of this subject. It was agreed that restructuring would be a major topic for the European Council to be held at the end of November and that appropriate conclusions would be reached on that occasion.

On the Political Cooperation side the Council also discussed the Middle East, Afghanistan, Lebanon, Cambodia, and Namibia, all of which were mentioned in the communiqué issued at the end of the meeting. On the Middle East they agreed to review the results of the contacts established on the basis of the Venice Declaration of last June and decided that European efforts should be energetically pursued to take account of these results. The Ten, while maintaining their contacts with all parties concerned, including the United States, will now be considering how best this can be done.

The Council approved and published a proposal on Afghanistan which has been in preparation for some time. The purpose is to establish the framework for a political solution acceptable to all the parties concerned. The proposal for an international conference in two stages builds upon earlier proposals, takes account of the objections which these attracted and has already gained support from a number of the Governments concerned. It offers, we believe, a fair and reasonable basis for the peaceful solution of a problem on which the international community cannot and will not turn its back.

Madam President, that concludes my report on the June European Council held under the Dutch presidency, and I should like now, with your permission, to look ahead to the British presidency.

In the policies of the European Community 6 months is a short time. It is a mistake for any Presidency to assume the chair with exaggerated hopes. To set targets that are too ambitious is to court disappointment and disillusion. The presidency has only limited control of business and cannot force the pace at which progress is made on the various issues before the Community. The speech I am making to this House is not an agreed order of business, but an indication of what the British presidency hopes to achieve. The presidency's task is to provide continuity with its immediate predecessors; to ensure that business is despatched with the maximum of efficiency and the minimum of fuss; and to work with a sense of purpose to bring about the consensus and compromise among all Member States without which no steady rate of progress can be maintained.

Another major responsibility of the presidency and a vital ingredient for its success is the maintenance of good working relations with the other institutions of the Community. If Britain is to perform her task effectively and harmoniously we will need the support of the Parliament. Part of the Parliament's role is to discuss and to criticise and, I assure you, I am not asking you to renounce your obligations in this respect. But I do ask that we should consider each other not as adversaries but as partners in a joint enterprise of making a success of Europe.

(Applause from the centre and from the right)

Carrington

The British presidency, for its part, is determined to try to make out of this relationship an effective dialogue and not an exercise in mutual frustration. I and my friend, Mr Douglas Hurd, will come to parliamentary sessions and political colloquies, committed to that objective. I am also glad that there have been contacts between the previous presidency and the Parliament on how the dialogue over the Community budget may be improved.

As a first step in that direction I am glad that it has been agreed between Mr Lawson, President of the Budget Council, and you, Madam, that the delegation of your Parliament should meet the Council on 22 July, the day before the Council establishes the draft budget, in order to give more time for the Council to consider Parliament's views and I am glad that Parliament has accepted that invitation.

(Applause from the centre and from the right)

The role of the Commission is also fundamental to the successful development of the Community. The Commission's proposals form the basis of all progress along the lines laid down in the Treaties. The higher the quality of the proposals put forward by the Commission, the better the chance of success.

Madam President, the traditional purpose of this speech is to explain to you the business that will occupy our Presidency. But I should like to concentrate on the broader themes which we hope to develop over the next 6 months, and I have therefore circulated a separate memorandum setting out the business of our Presidency in more detail.

The course of our Presidency, like all others, will be deeply influenced by the economic and political environment, both in the Community and in the world outside. In the Community the evils of inflation and unemployment remain with us, undefeated and daunting. These are the problems that are uppermost in the minds of the citizens of all our countries. If Europe is to be seen to be relevant to their lives, we must tackle them with imagination and success. In its first fifteen years the Community operated in conditions of expansion and economic growth. Now it has to face recession and structural change. New challenges call for new responses.

Another problem that affects all members of the Community and to which we must find a Community response is that of energy. Both in our internal discussions and on the international stage, the Community needs to work coherently if her interests are to be effectively furthered and defended.

The problems of the budget also make this a crucial period in the history of the Community. The resources available have nearly reached the limit laid down for them by the original Six in 1970. Like national govern-

ments, the Community is having to look carefully at its spending to keep within the limit — albeit a growing one — which has been laid down. This, combined with the need to restructure the budget recognised in the Council mandate of 30 May 1980, means that decisions of far-reaching importance on the Community's policies and on the financing of them will need to be taken in the near future. These decisions are made all the more necessary by the knowledge that two more European states are seeking admission to the Community.

If the Community's internal progress is beset with problems, then the international environment is far from serene. The shock caused by the Soviet Union's brutal invasion of Afghanistan some 18 months ago has not died away. Events in Poland are a continual reminder that a crisis much nearer home could erupt at any moment. We recall with sadness the events in Hungary and Czechoslovakia, and I think that most of us realize how quickly an even more serious crisis could arise, with even more serious consequences.

But the lessons of Afghanistan can bring us advantage if we are determined to seek it. The Soviet occupation of that country has brought a new awareness in the Third World of the advantages of partnership with the West and with Europe in particular. Areas like the Middle East look to Europe to play a fuller rôle in these dangerous times, and here too we must ensure that our response is adequate.

It is natural that the life of relatively new institutions, like this Community, should be full of critical decisions in its early years. All the great nation-states have found the same in their early, testing times. Problems crowd in on us from every side, and inevitably the search for solutions will prove difficult and at times contentious. Some, I suppose, will doubt whether the Community can rise to the challenge that faces it.

Past experience shows that these doubts are likely to prove unfounded. There has been steady and unsung progress in a great many areas, and although the Community's history has been marked by periods of difficulty, these have led to successive advances. Almost 12 years ago the Community of Six reached what is then perceived as a crucial point in its development. The leaders of Europe at that time were not discouraged. They understood the need to look beyond the immediate problems and hold to a vision of the Europe they were trying to create. The then French President pointed the way forward by setting out three targets for the Community — separate, but forming a whole like a triptych painting above an altar.

The three targets were '*achèvement, approfondissement, élargissement*'. At that time this must have seemed an ambitious and a difficult goal, but to a greater or lesser extent the Community has achieved all three. The 'completion' was marked by the end of the 12-year transitional period and the adoption of an independent

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financial system. 'Deepening', necessarily a continuing process, has admittedly only been achieved partially; but in the last 12 years the advances made in regional policy, social policy, environment, the internal market and the establishment of the EMS are far from negligible achievements.

As for enlargement, my presence here today is part of that. In 1973 and again in 1981 the Community grew by the admission of new members. For Member States both old and new that process has brought change, new opportunities and — inevitably — some problems as well; but experience has shown that adjustments take place to mutual advantage. Take, for instance, the development of Britain's trade with the rest of the Community. In 1972, before we joined the Community, some 30% of our total trade was done with the EC; last year that figure was more than 42%. Enlargement has also widened Europe's horizons, made it more representative of the people of Europe, enhanced stability and democracy in our continent and added to its international weight.

I think the Community now stands at a crossroads once more. Decisions vital to its future development are due to be taken. If we are to succeed, we must maintain a vision of where Europe is going and of the Europe that we want if we are not to become obsessed with our common problems, and I would like, respectfully, to propose a second triptych. Its first element should be 'renewal'; the second, once more, is 'enlargement'; and the third I will call 'identity'.

I choose the word 'renewal' because there can be no question of overthrowing or discrediting the real achievements the Community has made. The problem is to modify, adapt and strengthen existing policies and, where necessary, to elaborate new ones. The Community and its activities require renewal if we are to tackle the problems of the 80's and beyond.

Enlargement means a successful repetition of the negotiations that led to the admission first of Ireland and Denmark and Britain and then of Greece. The admission of Spain and Portugal will mean more than the extension of the Community to the Iberian Peninsula: it will mean a strengthening of the forces of peace and democracy.

(Applause from the centre and from the right)

By 'identity' I mean the impact that Europe can, and should, have on the events of the world outside if it is to protect and to further its interests. By the active exercise of influence in the world outside, Europe can develop the identity of which the Community is a symbol; and only if we are conscious of that identity can we play the active rôle in international affairs of which our citizens and those of the world outside believe us to be capable.

Madam President, the basis of the Community's renewal must be the restructuring of the Community budget and the review of the Community's expenditure that goes with it. A useful start has already been made. The Commission has put forward ideas, and there has been a first discussion between the Heads of State and Government. You will recollect that the Council agreed on May of last year to aim for decisions by the end of this year. The British Presidency must therefore make it a major objective to achieve decisive progress in the six months ahead. Whether we succeed will not, of course, depend on us alone.

The task before us is not insuperable, as some might have us believe. There is already emerging a concentration on the three main elements that must contribute to the restructuring required, and these are reflected in the Commission's paper.

The first is that there should be changes in the common agricultural policy to discourage the production of surpluses and to limit the costs to which they give rise. It cannot be right that about half of the Community's budget should be spent simply on the storage and disposal of surplus food.

(Applause from various quarters)

This is an expensive and wasteful anomaly that must be corrected — but not so as to undermine the principles of the CAP or to lose the benefit Europe gains from having a healthy agricultural industry and security of food supplies. The Community must continue to support its agriculture as every country does. But we need to do it more economically. The debate last month in this House and the resolution then adopted shows that view to be shared and supported by a wide spectrum of political opinion in all our countries.

The second fact on which there is wide agreement is the mirror image of the first. Just as too much is spent on agriculture, so too small a share of the budget is devoted to other policies. In the 1950s it was reasonable to argue that the agricultural sector was particularly in need of support. Industry and the service sector could look after themselves. All they needed was the conditions of free competition provided by the Common Market. That is no longer the case. The relative security of income and employment which many farmers enjoy has now, as a result of the recession, been denied to many other sectors of the economy. The Community needs to devote more resources to policies dealing with the problems of the 80s: regional development, rehabilitation and training, energy, and perhaps new policies for industrial re-generation and urban renovation.

The third element is to fulfil the pledge given on 30 May that no Member State is ever again to be faced with an unacceptable budgetary situation. That is not, of course, to say that every Member State should

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receive from the Community a sum equivalent to that which it pays in. Policies have to be designed to be effective policies, not just to ensure that their cost is equally shared out. But if a Community based on consensus and the common good is to flourish and advance, then every Member State has to be broadly satisfied that the Community's financial basis is sound and equitable.

There are two factors which act both as a constraint and as a stimulus to decision-making. The first is that the Community is fast approaching the 1% limit on VAT. In a period in which so many governments in Europe are facing unprecedented budgetary and financial discipline it is not surprising that people in the Community consider that the Community too should live within its ceiling. It is, in any case, politically unrealistic to ask for resources to be increased until it is clear that the budget has been restructured in such a way as to ensure that the excessive rate of growth of agricultural expenditure has been curbed and that Member States will not be called upon to make unreasonable or unacceptable contributions to it.

The second factor is that of enlargement. It would not be appropriate formally to associate the two applicants with the decisions that the Community must take. But it would be unjust and unwise not to take account of the effect their membership will have. The objective, after all, is to make unacceptable situations impossible for any Member State, and that must include the future as well as the actual members if we are to avoid disputes and if our agreement is to prove lasting.

But the Community is about much more than just the budget. The word 'renewal' implies developing the Community to keep abreast of changes in the world outside. For a leading industrial power like the Community that means developing our industrial base. If we are to win the fight against inflation and unemployment we have to adapt our industrial capacity to take full advantage of advanced technology. Advanced technology is an area where Western Europe can and must be among the leaders. Only, I think, in that way will new jobs be created and our position in the world guaranteed.

Renewal also means completing the Common Market. The Common Market in agriculture is an accomplished fact. So too to a large extent is that in industrial products, though much work remains to be done on non-tariff barriers and we intend to press ahead with that. But nowadays the service sector is almost as great a source of wealth and employment as is industry. Services like insurance, banking and air travel deserve to share the advantages enjoyed by their colleagues in manufacturing industry. Only in that way will Member States and their people secure maximum benefit from membership of the world's largest area of free trade.

Renewal also means adapting the Community's regional and social policies to the needs of the 1980s. We need to continue the restructuring of traditional industries such as steel, textiles and shipbuilding so that they can compete in the modern world. We must enable our workforce to find jobs in the new industries that will have partially but increasingly to replace the old heavy manufacturing industries. If we can not compete in this area, our prosperity will be at risk.

The second word of my triptych was 'enlargement'. The potential for enlargement is inherent in the Treaty of Rome. The recent accession of Greece was welcome to all of us. We now look to Portugal and Spain. These countries' admission to the Community will crown their return to democracy. It is our duty to encourage and stabilise the new democratic systems in these countries. We must make a success of the negotiations so that membership of the Community is soundly and fairly based.

A further enlargement of Europe is bound to bring problems in its wake. The institutional and economic complications of a Community of 12 will need to be tackled with imagination and goodwill. But a successful enlargement will strengthen Europe. There is no reason why the European idea should be diluted or weakened. The accession of Portugal and Spain will increase the confidence with which Europe can act domestically and in the world outside.

As the third element in my triptych I have chosen the word 'identity'. It was the existence of a European identity that provided the first impetus towards the formation of the Community. We need to find ways of reconfirming that identity so that Europe can play in the world a part that our history makes appropriate.

If Europe is to extend her influence then we shall have to look carefully at the practical possibilities for exercising it. It will not be enough to issue resounding statements in the name of Europe. Europe must equip itself with the organisation needed to formulate common policies and give practical effect to them.

Much of Europe's identity in the world outside comes from the existing policies of the Community itself. The Community is now the world's largest economic unit in terms of GDP. The Ten account for 20% of the world's trade. The Community is a vital part of the world's economic system and has a part to play in many fora. As major trading nations the Community has a vested interest in preserving the open trading system from which we have all so greatly benefited since the last war and whose absence before it was disastrous. But the open trading system is not easy to sustain in a period of recession. As with peace, the price of its maintenance is eternal vigilance.

The best example of the Community's influence in favour of the open trading system was the Tokyo Round of multilateral trade negotiations of the GATT.

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These were successfully concluded at the end of 1979, and we are now working constructively to implement the outcome of that round. That complex business is intended to take 8 years; we are still only in the second. The proposal for a ministerial level meeting of the GATT contracting parties during 1982, to review progress in carrying out this task, is therefore to be welcomed.

Meanwhile we are preparing our position on the extension of the Multifibre Arrangement. These negotiations, as you know, are of great importance to the Community and to suppliers in the developing world and we must find an outcome which takes account of their concerns while allowing our hard-pressed domestic textile industries to adjust in an orderly fashion.

Among developed nations the 7-power summits make a major contribution to maintaining the orderly development of the world economy. The Ottawa Summit is due to take place later this month. The Community will be represented there by the Commission and by the Presidency, reflecting the views Member Governments have expressed in the preparatory discussions. At that summit the Community will be working to maintain an open trading system. But we shall not ignore the difficulties posed for that system by the trading policies of individual nation states and will tackle them realistically and firmly. In particular trade relations with Japan are going through a sticky patch. We think that, given the size of the Community's trading deficit and the problems caused by the concentration of Japanese exports in a few sensitive sectors, we have a good case to ask for some restraint on their part and for a determined and conscious effort by the well organised and effective Japanese economic establishment to increase their purchases from Europe. At the same time we see only mutual benefit in building with our Japanese friends a closer political partnership.

The Community is not only involved in discussion of world economic problems with the nations of the developed world. We are every bit as closely concerned with the dialogue between parts of the world at different stages of economic development. This dialogue has become of increasing importance in recent years and, I think, on its success hangs the future harmony and prosperity of the world.

We have been a pioneer in establishing mutually beneficial trade links. The Lomé Convention between the European Community and some 60 Countries in Africa, the Caribbean, and the Pacific is an admirable example of the way in which trade, aid and co-operation should be so blended as to bring about the common advantage of the developed and developing world. The Community will therefore be well placed to make a contribution to North/South discussions. We intend to play a constructive role in the UN Conference on the least developed countries and on

new and renewable sources of energy in August, while the Mexico Summit will be attended in the autumn by three Member States of the Community. We intend to play our full part.

The external role of the Community is partly justified by its strength as an economic institution, and it is understandable that other powers wish to develop a relationship with us which is not exclusively economic and commercial. This natural and healthy development has resulted in, for example, the Euro/Arab Dialogue where contact between the countries of Europe and those of North Africa and the Middle East can make a useful contribution to greater mutual understanding, and, eventually, to a solution of the conflicts of that area.

Another economic grouping which has much in common with us is ASEAN. We welcome the increasingly close and friendly relationship which we have with ASEAN, and our long-standing and important relationship with the countries of Latin America.

We hope that the period of our Presidency will see important developments in these relationships. A meeting of the Euro-Arab Dialogue at ministerial level is due to take place in the coming months, probably November. And there will be an opportunity for political discussion between European and ASEAN Ministers when we meet together in London in October. Meanwhile I shall be attending, as President of the Council, the international conference on Kampuchea which has been called by the Secretary General of the United Nations and which starts in New York next Monday.

The success and vitality of the European ideal is not just, however, limited to the areas covered by the Treaties. Political co-operation is an embodiment of the principle that the Ten speaking as one have more effective influence than if they speak with separate voices. Since the Luxembourg and Copenhagen reports on which political co-operation is based, we have come a very long way. Particularly striking has been the unanimity with which the Ten have pursued their objectives at the meetings in the CSCE process at Helsinki, Belgrade and, now, Madrid. It has been gratifying to see the growing impact of the Ten at the United Nations. The habit of co-operation is firmly ingrained in our Foreign Ministries at all levels. A greater solidarity in times of crisis has increased the confidence and security of all of us.

I think political co-operation has been one of the success stories of Europe in recent years. But there is more to be done. The Ten have been better at reacting to crisis than at taking initiatives designed to forestall or resolve them. And there have been times when our reaction has been too weak and too late. Our failures are partly due to weakness in the mechanisms of political co-operation and partly to the weakness of the commitment to act together.

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But we are learning; on Poland, political co-operation has worked more smoothly. The statements of the European Council at critical moments have served to put on record Europe's determination to react firmly and decisively, should Poland's right to settle her own affairs be interfered with. The rapid decisions of the Community to provide food at special prices made a useful contribution at a time of particular difficulty for the Polish Government and people.

Meanwhile, the action of the Ten over the Middle East has marked a new departure. Here Europe is not merely reacting to a crisis, but trying to make a positive and substantial contribution to resolving a long-standing problem. The importance of the Middle East for the European Community, and the disproportionate contribution to security and peace that a settlement of the Arab/Israel dispute could bring, does make it essential for us to devote every effort that we can to bringing a settlement nearer. During our Presidency we shall continue to build on the basis of the earlier statements by the Ten and on the valuable contacts undertaken since then by Mr Thorn and Mr Van der Klaauw. A peace settlement in the Middle East depends, first and foremost, on the political will of the parties directly concerned — Europe does not seek to solve the problem on its own. We recognize the crucial role played by the United States with whom, like our Luxembourg and Dutch predecessors, we shall maintain close contact. European and US efforts have been and will remain complementary. The Ten's task is to persuade all who will listen of the importance of a peaceful solution and the need for each side to accept the rights of the other, in accordance with the two fundamental and mutually balancing principles set out at Venice.

A second example of political co-operation on the move is the initiative on Afghanistan, announced by the European Council on 30 June. This is a serious effort to find a political solution to the crisis in Afghanistan. We are proposing a two-stage conference to be held early this autumn. The work of the first stage will be to work out international arrangements designed to bring about the cessation of external intervention and safeguards to prevent it in the future and thus to create conditions in which Afghanistan's independence and non-alignment can be assured. The participants would include the permanent members of the Security Council and countries of the region as well as the Secretaries-General of the United Nations and the Islamic Conference. The second stage would also include the representatives of the Afghan people and its purpose would be to reach agreement on the implementation of the international arrangements and on all other matters designed to secure Afghanistan's future as an independent and non-aligned state.

I have just come back from Moscow where I have been discussing this with Mr Gromyko. I am glad to have this immediate opportunity to report to this Parliament what occurred. In explaining the proposal

to Mr Gromyko, I made it plain that I was speaking on behalf of the ten Member States of the European Community. I emphasized that the problem with which it dealt was one of global significance, whose solution was essential in the interests of peace and stability and the development of East-West relations. I reminded the Soviet Government that the Ten, and indeed the great majority of the international community, are convinced that the complete withdrawal of Soviet troops is an essential element of any solution.

(Applause from various quarters)

Mr Gromyko took the view that the proposal by the Ten was, as he put it, 'unrealistic' because the main problem was intervention by others in the affairs of Afghanistan (*Laughter*), because it was not stated that the present Afghan régime should participate at the outset and because the proposed composition of the conference was unsatisfactory. I told him that I did not find these arguments convincing. Mr Gromyko did not say that he rejected the proposal and did not exclude further discussion. Indeed, we agreed to meet again in New York in September. For my part, I made it plain that the proposal, which has already received an encouraging degree of support in the international community, remains on the table. A positive response from the Soviet Union was highly desirable in the interests of world peace and stability. The proposal provides the best hope of a negotiated settlement which is wanted by the whole international community and which the Soviet Union has also repeatedly said that it wants. It is obvious that a Soviet refusal to negotiate on Afghanistan makes it impossible to speak of normal relations and prejudices efforts to reach agreement with the Soviet Union on other matters. Ours is a serious proposal. I hope that on reflection the Soviet Government will react in a constructive manner.

But the gap between Europe's potential influence in the world and what it has actually achieved is still too wide. If political co-operation is to prove adequate to the expectations that are increasingly laid upon it, then we will need to strengthen the existing arrangements. The Netherlands Presidency has already done good work in this. We shall carry on the task. It is one to which I attach particular importance and a number of my colleagues have made it clear that this feeling is widely shared.

Progress in political co-operation can never be a substitute for progress within the Community. They are, when all is said and done, two sides of the same coin. We must build our cohesion and unity on both fronts.

I have described the main themes which will guide the British Presidency. I hope I have given sufficient indication of the commitment and the determination which we intend to bring to the task.

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To say that Europe is at a turning-point is not to say that Europe is in crisis. On the contrary, I think the triple objective of which I have spoken, renewal, enlargement and identity, could point the way forward for the Community. The achievements and progress of the last 25 years are astonishing. This progress was achieved often painfully, in conditions of tension and near-crisis. Too often the agreements of the Community pass unnoticed and it is only the headlines about clashes and confrontations that are remembered. But in the sweep of history it is the progress that counts and the difficulties that are forgotten.

Today the success or failure of the Community has become increasingly important to the world as a whole. A successful resolution of our internal problems is essential if Europe is to make the contribution to security and peace that the world requires and which it alone is capable of offering to the world. Britain is committed to playing its full part in this common enterprise in which we have all invested such high hopes. During our Presidency we shall shoulder our responsibilities, in the knowledge that the best contribution we can make is to discharge our duties efficiently, fairly and in the spirit of loyalty to the European ideal, without which no progress can be made.

(Applause)

President. — I call the Commission.

Mr Thorn, President of the Commission. — *(FR)* Madam President, you have just heard a very full report of the working and outcome of the European Council given in a major speech by Lord Carrington as President. I, as President of the Commission, can therefore be very brief with the Commission's comment on the European Council.

Let us start with the most important point. As a result of the guidelines adopted by the European Council at Luxembourg we will this autumn be hearing a report on the European Council given to this Assembly by the President-in-Office of the European Council herself/himself. I should like to dwell for a moment on the significance of this decision by the European Council, which stems from a suggestion I put to them which was welcomed by the Heads of State and government. This means that the highest of political levels — and I use the words deliberately, in the knowledge that we are talking about an authority which has been added to those established by the Treaties — has agreed to enter a dialogue with the European Parliament and thus satisfied one of Parliament's long-standing and legitimate demands. This is of particular importance now that there is so much debate on institutional matters in this House. This new departure for the European Council is further evidence of our conviction that Parliament must

increase its influence over the working of the Community and that to do this we must explore and exploit to the full every possibility which is available to us under the Treaties as they stand at present.

Let us all therefore make the very best of this offer of dialogue which has been made by the European Council and which in my view represents something more than a gesture: perhaps the beginning of a better understanding.

I recall that when we discussed here in this chamber the conclusions of the last European Council in Maastricht, some very severe criticism was made. At the time, I stressed that the importance of the Maastricht meeting lay in the very fact that it demonstrated the solidarity of our Community at a very difficult time, and that it underlined the great confidence which the governments of our Member States have in the Community. It is no less true today than it was a few months ago that amid the vicissitudes of the economic crisis we are experiencing, and in the unstable world in which we live, the Community is the only credible solution to our problems. The Luxembourg meeting contained elements of both pessimism and optimism. The pessimism arose from a disastrous economic situation with unemployment at its highest level since the war, undermined by falling competitiveness on the world market.

At the same time I was encouraged by the general atmosphere which pervaded the Luxembourg meeting. The Heads of State and government shared the Commission's concern that the Community should retain solidarity in the face of the problems which it faces both internally and externally. And there was evidence of genuine determination to defend the Community and to help it forward.

It is not my intention now to return to the Commission report on the 30 May mandate which I presented to you yesterday, Madam President. As the President-in-Office has already said, there was no intention to discuss the report in great detail at the European Council for reasons which you will readily understand. I would, however, like to remind you that the Heads of State and government were particularly pleased that the Commission had been able to keep to the time limits which had been imposed. On behalf of the Commission I suggested that our report should be dealt with under the direct responsibility of the Heads of State and government and, with this in mind, was thinking in terms of meetings between individuals who had the personal confidence of the Heads of State and government. Proposals made yesterday by Mr Dankert were along these lines. The European Council itself took this to be a good idea, but thought that the group should operate under the guidance of the Ministers preparing the ground for the meetings of the Heads of State and government. We hope to see this group begin work very shortly. Indeed, we hope to ensure that the work of this group does not get bogged down

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or become too bureaucratic, and I believe that you would all be in agreement with us.

During the weeks and months to come, the Commission will, as I have already said, be making a number of proposals to implement the various suggestions made in the report. During the first stage these will relate to the Social and Regional Funds, and then later the integrated programmes for the Mediterranean regions, separately from the measures for new technology, agriculture and the budget.

The result of this, I think, is that reflecting on the problems created by financial imbalances in the Community has made us more aware of the need to strengthen the Community. Of course, the Commission has no wish to pretend that the imperfections in our Community do not exist, and that is why we took the opportunity offered by the European Council to make the Heads of State and government aware of our very serious concern at the state of the internal market. The fact that there genuinely is a common market on a continental scale is the first and the greatest success of our Community venture. At the same time, though, it is the essential prerequisite of any further development of the Community, and of the development of the economic policies which we are proposing. What we see instead is the economic crisis reviving protectionist tendencies almost everywhere. There has been proliferation of new non-tariff barriers to the free movement of goods and services. The walling off of national markets is threatening to become a reality again. We had therefore, and we still have, to make governments aware of this problem at the very highest level.

(Applause)

It is also important that this House is fully aware of what is at risk. It is not simply freedom of trade which is at stake. We have to create or recreate, and maintain, the best possible atmosphere for investment to cater for the consumer market which Lord Carrington was talking about, of 260 million, and in a few years 300 million consumers. In the present serious economic situation, it would be criminal to divide up such a market.

I should at this point not fail to mention a link with the daily life of Community citizens about which this House feels particularly strongly. We are greatly shocked to see the continuation, and even the strengthening of frontier formalities and identity controls. How can one expect the citizens of Europe to be delighted or enthusiastic about the prospect of new passports in fine bordeaux livery if, when they travel inside the Community, they have to go through increasingly draconian controls?

(Applause)

A number of members of this House have already written to me condemning this situation. I have spoken to members of the European Council and I can tell the European Parliament today that the Commission intends to submit to the next European Council proposals which would eliminate such formalities before the end of 1982.

(Applause)

The first step will be for the Governments to undertake to reduce passport formalities at frontiers to the level of those applied to the least-controlled means of transport. And I don't want any muttering about policing efficiency or any other technical problems! We have got to change the mentalities and habits of our civil services. We have to show the political determination to give the citizens of Europe an awareness of their continent, by which I mean an awareness of the existence and the size of our Community.

As usual the European Council had a wide-ranging debate on the social and economic situation in the Community, which was based on a report submitted in the name of the Commission by Mr Ortoli and myself.

1980 was a very difficult year for the Community, and 1981 will be just as bad, even if some people believe that there are indications of an upturn. Those indications are an increase in export orders and stock renewal, and to a certain extent an increase in private consumption.

However, we must have no illusions: any improvement will be limited. There is no possibility of it being greater than 2%, and it will therefore not be sufficient to curb unemployment. And it is by no means certain, bearing in mind the negative effects of the monetary situation and the high rates on interest which are still in force. I can assure you that the Commission will do everything it can to encourage any hint of an improvement by ensuring that national measures are compatible with each other.

What we therefore have to do, Madam President, ladies and gentlemen, is to consolidate that small hope and to avoid any further deflationary movement by means of coherent, coordinated action, which takes account of the different situations in different Member States.

Even if the final responsibility for investment to encourage growth and employment lies with the Member States, the Commission has an essential coordinating role, and will do everything it can for that role. We must work together to explore and implement every possibility there is for rectifying the situation and stopping the decline: we have to find a policy to deal with the inevitable.

In this connection we will, as the President-in-Office of the Council said yesterday, have to work together

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with the United States to find ways of avoiding unreasonable variations in exchange and interest rates, show up the harmful effects which the particularly monetarist policy currently being pursued is having on our economies, and show that it will jeopardize the limited chances we have of economic improvement: monetary cooperation is no less important than cooperation in trade.

I can assure you that I shall dwell on all these points during my discussions with President Reagan in the United States during the next few days.

Let us now turn to the preparations for the forthcoming summit meeting of industrialized countries. For the Commission Ottawa represents the beginning of true cooperation on monetary matters between the major industrial powers. If I may say so in passing, it is this same preoccupation which underlies my own continuing concern that we should develop and perfect the European Monetary System.

The Ottawa summit will also provide an opportunity for the industrialized countries to come to an agreement on their approach to relations between rich and poor countries.

What we have to do now, ladies and gentlemen, is to take the growing economic interdependence between countries to its logical conclusion and include the North-South dimension when we draw up economic policies aimed at dealing with the crisis; this will bring about an improvement in the system of international relations.

Our own efforts to improve the economy and restructure industry — and they are essential, because the first people we have to count on are ourselves — will not be sufficient if the European Community cannot be sure of developing markets in the third world and of a stable international environment. For that, North and South must seek together, at international level, solutions to the problems we share which affect world economic activity, particularly questions of energy and the question of financing deficits in developing countries. No one can say that we have done all we could there.

At the same time, so that international stability is improved, we should encourage greater integration of all developing countries into the economic system, and gear the working of that system to coresponsibility and the pursuit of mutual advantage.

Here we are pleased to note that the European Council took heed of the Commission and recognized the urgent need to give positive political encouragement to worldwide North-South negotiations. This autumn's summit conference in Mexico of a number of Heads of State representing various parties to the North-South dialogue should also provide an oppor-

tunity for the West to make new progress in relations with the developing countries.

The Ottawa summit must also, in the Commission's view — and the Luxembourg meeting gave us an opportunity to make the point forcefully — include an honest appraisal of the enormous range of questions to do with the proper operation of an open, multilateral international trade system. We must draw attention to the problems which are posed by the excessive concentration of exports in sensitive sectors. Lord Carrington spoke of them a few minutes ago.

On this question I spoke again at Luxembourg of the message which I had given to the Prime Minister of Japan when he visited me at the Commission in Brussels, namely that first, relations between the Community and Japan formed part of a triangle between the United States, Japan and the Community which we and the West regard as fundamental, and secondly that a certain equity must be respected in the operation of the world trade system, one of the more obvious implications of which is that our Japanese friends must open their markets to our goods.

I will conclude, Madam President, by saying that I can agree with Lord Carrington's positive analysis. It is my hope that the Luxembourg European Council marks the beginning of renewal in our Community. The report on the Commission's mandate sets out the framework within which we hope to develop our policies. In our view it shows the road forward, and I believe that we are all in agreement that that is the road we must take. No one will deny that there are many difficulties in store for us along that road, but since we are — as the European Council has reaffirmed — in agreement that the cohesion and unity of our Community must be maintained, our talks on balancing our finances and developing our policies can, I trust, proceed with new energy.

(Applause)

IN THE CHAIR: MR PFLIMLIN

Vice-President

President. — I call the Socialist Group.

Mr Ruffolo. — *(IT)* Madam President, the Socialist Group happily extends a very warm welcome to the President of the Council and we did appreciate the good intentions and kind words he expressed in speaking about this institution during a statement which, even if there was nothing really new in it,

Ruffolo

nevertheless represented an encouraging belief in the continuity and development of the Community. At the same time, it must not be construed as an affront to Lord Carrington if we are forced to point out that once again we have been witnessing a rather bizarre rite in the Chamber.

The European Council met at the end of last month and we have all had an opportunity to read press accounts of the meetings and speeches of those taking part and the conclusions in the final *communiqué*. Now, more than a week later, the President of the Council of Ministers comes here and as part of his statement tells us what the European Council decided. This is not just a communication problem, Madam President, but a problem of the proper relations among the Community institutions. As we have already heard, it is a problem affecting the identity of this Parliament, an identity which was defended with tremendous authority, dignity and force by the President of the House when the debate started.

Parliament has already had occasion to emphasize two crucial aspects of this problem. The first is the obvious point that a Parliament which has influence, if not actual power, should be informed of the Community topics which the European Council is discussing before and not after it has considered them. This is the only way Parliament can make use of the power to indicate guidelines which Mr Thorn rightly mentioned earlier. The second point is that it is now quite intolerable how the European Council — and this was said by Mrs Veil — ignores the democratic Parliament of Europe. We heard from Mr Thorn, however, that a solution is being found to this problem. And he was right when he said that this is not being done for form's sake but as an acknowledgment of Parliament's right to deal directly with what is now — never mind what the Treaties say — the supreme political authority in the Community.

Turning to what Lord Carrington said about the outcome of the European Council meeting and the programme of the British Presidency, I want to say a couple of words about the focal aspect of the current series of Community problems: the economic and monetary crisis. This is a much more crucial problem than the issue of the Community budget, which seems to be the cause of the Community crisis but is really only one facet of it. Lord Carrington was correct in saying that the Community economy is under attack from two sides, inflation and unemployment. Be that as it may, we cannot find any hint, either in the statements he made here today or in the final *communiqué* of the European Council, of a real Community strategy which is consciously designed to tackle systematically and simultaneously these two aspects of the crisis, which are left to the national policies of individual countries without any coordinating plan.

These two aspects are taken separately nowadays and tackled with varying degrees of commitment and with

hardly any coordination among the Member States. On paper, at any rate, inflation gets top priority, as though it could be differentiated from the problem of unemployment in the context of the crisis. But policies to combat inflation — and they vary from country to country — have turned out to be ineffective in curbing it, with no impact on unemployment levels, or else they have managed to bring inflation down very slightly by swelling the ranks of the unemployed. The failure of monetarist policies, with their tremendous social repercussions, and the impossibility of resorting to conventional Keynesian policies, because of external constraints and internal inflexibility, highlight the need for a coordinated European economic policy, aimed at getting rid of the structural causes of the crisis. I am talking about the causes which can be found in the structure of the production system and in the structure of employment.

This explains the importance of President Mitterrand's words to the European Council, when he spoke about the need to steer Community revival simultaneously towards industrial innovation and the creation of a 'new European social area' with harmonization of the regulations which govern the labour market and the working week, those which promote employment and those which determine the degree of social security among the various countries of the Community.

Industrial innovation and a policy for jobs and general employment: these are the two elements of a planned policy to create jobs which can be dovetailed, by means of strict monetary measures and an incomes policy based on social consensus, with effective measures against inflation.

In my view, Madam President, the common struggle against inflation and unemployment is the main challenge facing the Community at the moment. Unfortunately, neither Lord Carrington's statement nor the Luxembourg *communiqué* reveals any suggestion of a Community programme which sets out the actual tactics for this common strategy, instead of offering vague hopes and words of encouragement.

As long as the Member States' economic policies are going to differ and until they are ready to tackle the double-headed monster of stagflation together, it will be pointless to go on about Community solidarity, fresh policies and reviving the Community, which is what we get in the Commission report on the mandate of 30 May. The intentions are good but it is full of vague proposals.

The monetary aspect of the crisis reflects the economic side. The European Parliament considered this in a recent resolution which again made little impact. I am not going to go into it all again, except to say once more that the pressures on our monetary system stem from two concomitant causes. On the one hand there is the divergence of the Member States' economic policies and on the other there is the lack of any

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monetary accord aimed at coping with the destabilizing effects of other countries' monetary policies, especially America's.

Unless we have an economic policy with clearcut common objectives and a concerted policy with regard to the dollar, any talk of institutionalizing the EMS is going to get nowhere. It would be idle chitchat — as Mr Thorn might say — or a load of old blarney, if you ask us.

Madam President, it can be frustrating to note how often speeches and recommendations which have been made come up again in this Parliament. You know, I sometimes wonder if the biggest threat to the Community is not boredom. But it is right and proper to keep on hoping.

Reasons for hoping can be found not only in the official documents of the Community institutions — including the most elegant and encouraging examples, such as we heard from the President-in-Office of the Council — but also, and perhaps more important, in new political events like the emergence in France of a Socialist government, for whom Europe is not a diplomatic backdrop but the necessary stage for a grand plan of reform.

(Applause)

IN THE CHAIR: MR DANKERT

Vice-President

President. — I call the Group of the European People's Party (Christian Democratic Group).

Mr Tindemans. — *(NL)* Mr President, it is a very great honour for me to reply on behalf of my group to the statement made by Lord Carrington, the new President-in-Office of the Council. I was always a fervent advocate of British membership of the European Community, and on that point, there are a few remarks I should like to make to begin with. In rereading Jean Monnet's memoirs, I came across a quotation from Sir Roger Maykins which runs as follows: 'Now that you are a fact we shall be with you' *(Laughter)*. The European Parliament is a fact and I shall be very interested to see what attitude the United Kingdom adopts in its dealings with this House. To quote Jean Monnet again:

Of all the contributions the British have made to civilization, there are two which seem to me to be fundamental: respect for liberty and the working of democratic institu-

tions. What would our society be today without *Habeas corpus* and without the Parliamentary system to provide a counterbalance to the power of the executive? The British have a better understanding than the Continentals of the institutions and the uses which can be made of them. The continental Europeans tend to think that men are the essential element in public affairs, and it is indeed true that the human element is an important one. But without the backing of institutions, their decisions would never amount to anything important and lasting. This is something the British have known for a long time... Institutions are more important than people... The British want things to work, and once they have seen that Europe can only be made to work by way of its institutions, they will be the most steadfast defenders of those institutions and in particular of the Parliamentary institutions. Of course, the Europeans have their Parliaments too, but no one can really say to what extent they have become part of themselves. An old man I once met in America told me: 'You think you understand something through your head, but the fact is that you will only really understand it once you feel it in your bones.' That is the stage the British have reached with their Parliamentary institutions.

(Applause from various quarters)

I am looking forward with great interest to the British Presidency, and I shall be particularly interested to see how they will give a new lease of life to the institutions and especially to Parliament; after all, the United Kingdom is the cradle of parliamentary democracy.

We are pleased, as Mr Thorn said, that the European Council in Luxembourg decided that the President-in-Office of the Council should in future attend meetings of this House. Perhaps it is not too fanciful to hope that there may be times when the entire Council will attend a plenary meeting. The convention so far is that the President of the Council of Budget Ministers only attends plenary meetings at the end of the budgetary procedure when a storm is imminent and there is a threat of Parliament rejecting the proposed budget. That is something which gives us no pleasure, and we should therefore like to see the Council attend our meetings rather more frequently. The fact is that, if the Council continues to ignore our opinions and our resolutions in this way, Parliament will become increasingly insignificant. We should like to see the Council at least react to our opinions and resolutions within a reasonable time.

I should also like to ask the British Presidency to devote more attention to Question Time, which is after all a typically British convention originating in the House of Commons. It was introduced into the European Parliament by the late Mr Peter Kirk, but could still do with a certain amount of refinement.

Regarding a second characteristic of the British people, I should like once again to quote from Jean Monnet's memoirs. As you know, when there is something you do not wish to say yourself, it is always

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useful to be able to hide behind a author of great repute:

The British have a reputation for being difficult partners, which they are if they are negotiating in their own interests and in their own way, but they are loyal allies whenever they are on the same side of the table as you. You can rely on them to make sure that things work.

Well then, it is up to you to breathe new life into the European Parliament, to give this House a new lease of life.

I should like to remind the German Members that the Diet of Frankfurt meeting in the St Paul's Church in 1848 had practically no powers, but nevertheless enjoyed a high level of prestige in Germany, and aroused great hopes of the installation of a democratic regime and of a democratic political development in Germany. That is the role the European Parliament should be playing at this stage of European integration.

Mr President-in-Office, while acknowledging the high quality of the policy aspects of your speech, I must say — and I hope Mr Thorn will excuse me for saying so — that we were disappointed at the outcome of the European Council in Luxembourg because those people who are not aware of the institutional problems expected first and foremost the Community to pull together and not fall back into the bad old pre-war economic ways of self-sufficiency, quota restrictions and monetary manipulation, all of which dangers are now once again looming up before us. That is precisely why we expect a pragmatic British Presidency to do something specific rather than indulging in mere theoretical discussions, to show our people that Europe is a reality here and now.

(Applause from the centre and right)

We hope that the Community will be reinvigorated under your Presidency. As regards the economic problems, I should like to remind you of the fact that one of our Members, Sir David Nicolson, recently brought out a pamphlet on an industrial policy for Europe. If the British Presidency succeeds in developing a European industrial policy and in establishing in Europe new industries offering genuine prospects to our young people, I believe that great things are possible.

But Europe, Mr President-in-Office, is also a Europe of the people, and as such, you will have to seek solutions for the fisheries problem, for the Regional and Social Funds, for the extremely important energy problem as well as for the steel, textile and shipping industries. As regards the future, though, the real priority must be a new industrial policy for Europe, and in this respect, we shall expect the United Kingdom to adopt a firm and pragmatic attitude.

You referred to the mandate of 30 May, as a result of which we can make a fresh start and give Europe a

new lease of life. I was pleased to note in Lord Carrington's speech the determination to act quickly. However, may I say on behalf of my Group that we hope you will view your mandate in a broad context, in the context of a European revival. I hope the Commission will not allow this report to drift into oblivion as has happened with so many reports in the past, and that the Commission will stick to its guns. The Commission must come up with proposals for giving the Community a fresh start and for setting the scene for reforms. I only hope that the mandate of 30 May will not be viewed in a purely budgetary context.

The Commission sometimes tends to be a bit timid, however good its reports on the mandate may have been; perhaps the Council could take more account of the opinions advanced on this matter by the European Parliament. I should also like to comment briefly on political cooperation. It is an odd thing that, at a time when the process of integration seems to be stagnating, European political cooperation has been given fresh impetus by such things as Lady Elles's initiative and the speeches made by Lord Carrington and Mr Genscher. A new proposal has been formulated in my own group too. I get the feeling that new developments are in the offing in this field and, in the spirit of Jean Monnet, I should like to say with Mr Thorn that we should make progress whenever and wherever possible, in no matter what field. If there is now a chance of making progress in the field of political cooperation, let us seize the chance with both hands.

I should also like to suggest that we should include defence policy as far as possible. The Brussels Pact — which Mr Mitterrand referred to in an interview published in *Le Monde* — came about because the United Kingdom and France asked the three Benelux countries to enter into a joint discussion on security and to let their views be known. In the same way, we can include the question of security in our discussions on political cooperation.

(Applause from the centre and right)

I should like to say to the British President-in-Office of the Council that he is best placed to improve relations with the United States from a purely political point of view as well as on the questions of security and monetary affairs. If you succeed in bringing about an agreement between the Yen zone, the Dollar zone and the European currency area, you will have laid the foundations for economic recovery. Nor must we forget the questions of primary materials and energy.

While browsing through Jean Monnet's memoirs, I came across another quotation, which may be a somewhat bold idea, but which I have no hesitation in passing on to you:

We must complete the organization of Europe and negotiate a treaty between Europe and the United States.

Tindemans

I have always advocated the initiation of a wide-ranging dialogue between Europe and the United States. Let me repeat, Lord Carrington, that someone like you, who knows the United States so well, is in an ideal position to improve relations between the United States and Europe.

(Applause from the centre and right)

My Group is not opposed to the idea of setting up a separate secretariat for European political cooperation. On the contrary, it is essential that such a secretariat be set up in the interests of the continuity of political cooperation and with a view to preparing the meetings of the foreign ministers. Some people, like Mrs Van den Heuvel, are afraid that such a secretariat would have no future and would jeopardize the work of the existing institutions. My Group would therefore like to ask you to ensure that the secretariat does not disrupt the work of the Community, but simply fosters cooperation with the existing institutions.

Lady Elles's proposal contains so many good elements that I find it impossible to expand on what she had to say. Suffice it to say that, in my opinion, this House could do worse than adopt many of her ideas.

The United Kingdom has an immense amount of experience in the diplomatic field. With your realistic view of things, you could make an enormous contribution towards giving Europe the foreign policy and the identity both we and you so often refer to.

I should therefore like to call on you to ensure that Europe adopts a common stance and acts swiftly at the Helsinki follow-up conference in Madrid and that genuinely European views are advanced at the West's summit in Ottawa, so as to set in motion a real recovery of the West.

I believe that our people are looking to the European Parliament and to our political leaders to reverse the trend towards decadence and are expecting the European Community to take positive steps in this respect. If this much is acknowledged by the Council and the political leaders of Europe, your Presidency will truly have borne fruit.

Let me refer in conclusion to the three fine ideals mentioned by Lord Carrington: renewal, enlargement and identity. I should like to conclude with a quotation which is well known from the history books of Europe, but I should like to turn it round, in the same way as we must bring about a reversal in the climate in Europe. I should like to give that well-known saying a positive tone. You said that you would be working for renewal, identity and enlargement. I should like to add the rider 'for better or for worse', which is also a typical English saying. We shall give you as much help

as we can muster. Lord Carrington, you are now President-in-Office of the Council — do your best . . . *Messieurs les Anglais, tirez les premiers!*

(Applause)

(The sitting was suspended at 1.10 p.m. and resumed at 3.15 p.m.)¹

IN THE CHAIR: MR VANDEWIELE

Vice-President

5. Topical and urgent debate

President. — Ladies and gentlemen, in accordance with Rule 48 of the Rules of Procedure I have received the following objections, tabled and justified in writing, to the list of subjects to be included in tomorrow evening's topical and urgent debate:

- a motion by Mr Klepsch on behalf of the Group of the European People's Party (CD Group) requesting the inclusion in the debate of the motion for a resolution tabled by Mr Pfennig and others on behalf of the Group of the European People's Party (CD Group), on the mandate of 30 May 1980 (Doc. 1-372/81);
- a motion by Mr Beazley and 22 other signatories requesting the inclusion in the debate of the report by Mr Moreau on convergence (Doc. 1-332/81);
- a motion by the European Democratic Group requesting the exclusion from the debate of the motion for a resolution by Mrs Pruvot and others on the young Europeans in prison in Thailand (Doc. 1-347/81).

These requests must be voted on without further debate.

I put to the vote the request by Mr Klepsch for the inclusion of the motion for a resolution by Mr Pfennig.

(Parliament rejected the motion by Mr Klepsch)

We shall now consider the request by Mr Beazley and others for the inclusion of the motion for a resolution by Mr Moreau.

I call Mr Patterson.

¹ *Membership of committees: see Minutes.*

Mr Patterson. — Mr President, I would just like to know the basis for your ruling that a committee report can be dealt with under this procedure. I know that the motion for a resolution contained in the report says that it is tabled under Rule 47 but this is, in fact, a committee report and cannot be taken therefore under urgency.

President. — The report was originally included in a series of urgent topics. Mr Klepsch has objected to this and a decision has to be taken about it. We should in any case ask the Committee on the Rules of Procedure and Petitions to check to what extent it is permissible, in accordance with Rule 48 of the Rules of Procedure, to include committee reports and motions for resolutions on subjects which have already been dealt with in committee on the list of urgent topics. The Bureau is not sure about this point either. Your question will be passed on to the Committee on the Rules of Procedure and Petitions with a view to similar situations in the future.

I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — On the last point is it not essential that you give a ruling on that now? This is a committee report, and a report which has been examined in detail cannot come under the heading of urgency under any consideration. The reason I think you ought to give a ruling is that you are downgrading the urgency procedure by allowing this to go through now, and I do not think it is for anybody else but the occupant of the President's chair, at the time the point is raised, to give the ruling. I would ask, with respect, if you could not do that now.

President. — We do not want a debate on this. As I said, the matter will be referred to the Committee on the Rules of Procedure and Petitions.

(Parliament rejected the motion by Mr Beazley and others)

I call Mr Lange.

Mr Lange. — *(DE)* I just want to say, ladies and gentlemen, that Parliament has how torpedoed the agreement to have a debate on the reports on the economic situation. It is ridiculous not to discuss the economic situation until September, since by then things could have changed completely. We need a political and not just a technical decision on this point.

(Parliament agreed to the motion by the European Democratic Group)

6. European Council in Luxembourg — Programme of the British Presidency (continuation)

President. — The next item is the continuation of the debate on the Council and Commission statements.

I call the European Democratic Group.

Sir James Scott-Hopkins. — Mr President, the first thing I must do, of course, is to thank the British Foreign Secretary, Lord Carrington, the President-in-Office of the Council, for making the great effort to come back here, and I am very grateful to him for the courtesy that he has done not only to me but to the House in being here.

(Applause)

It is a particular pleasure to welcome the President-in-Office of the Council and so have this opportunity of responding to the very lucid and wide-ranging account of his plans for the Community. We need to understand his views, and he has certainly given us an opportunity this morning of understanding them and I thank him once again for the speech he made. May I say right at the beginning that we look forward to lending our support to all those initiatives which have been set out in a very stimulating address. We know ourselves the strength of Lord Carrington's commitment to the European cause and we respect him as the judge of European interests. We have every confidence that during his term of office in these coming six months he will be successful in steering the Community through the present difficulties which he outlined so clearly and I am sure that we shall be able to make progress in overcoming those difficulties during his period of office.

Over the years, Mr President, we have become accustomed in this House to hearing speeches by new Presidents-in-Office which set out elaborate blueprints for the Community's future, and too often we have been sadly disappointed at the outcome. But today we have heard an address that is characterized by a much greater degree of realism. If I were to make any criticism at all, I would say that it was a masterpiece of British understatement.

I should like therefore in the time available to me, and in the same realistic spirit, to add one or two ideas to what the President-in-Office has said. He has quite rightly drawn our attention to the successes in the field of political cooperation in recent years, both in relation to specific crises and to the Community's stance in international negotiations. I welcome — and I am sure the whole House welcomes — what took place in Moscow: his journey to Moscow, his negotiations and talks with Mr Gromyko. I am sure it can do nothing but good, even though the outcome at this moment may not be as satisfactory as we would all have

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wished. Nevertheless, I hope that in the months ahead it will become more and more helpful in solving that crisis in Afghanistan. Yet again I would hope that the whole House would wish him well on behalf of the Community in whatever negotiations he can undertake to carry on the work done by his predecessor in the Dutch presidency, Mr Van der Klaauw, where the Middle East is concerned: a tinderbox of danger, if ever I have seen it or heard of it.

But I know he did not touch on a subject which is close to his heart — the details of how the machinery of political cooperation might be improved. It was in point of fact touched on by Mr Tindemans in his excellent speech just before lunch. But if the Community is able to take initiatives as well as respond to events, then greater continuity than can be achieved under existing arrangements becomes absolutely essential. Speed of response, as he said himself, is more necessary than ever in the world today and accordingly my group, Mr President, would ask the President-in-Office to press ahead as quickly as possible with the establishment of a very small secretariat for political cooperation. I am sure he would have the whole support of this House if he did so. I envisage a sort of private office, attached to the presidency, which would act as a repository for the experience accumulated over the years by the Presidents-in-Office. I think such a secretariat would be an eminently practical way of improving political cooperation and I believe it would make a substantial contribution to the reconfirmation of the Community's identity in world affairs, upon which the President-in-Office laid such great stress.

He also gave us his vision of the Europe of the future: the three issues he mentioned in the triptych that he talked about were renewal, enlargement and identity. I do not quarrel with any of these, indeed I agree with them, but I ask myself — and I think the House must too — how can these three targets be made real and tangible to those who elected us to look after their interests. So I looked at the appendices which he circulated to all of us, the detailed proposals which are the objective during his presidency in the various areas of Community responsibility. My goodness, what a mouthful they are! They are all worthy, they are all necessary and they are all realistic, but I ask him, and I ask the House, are they attainable in the present circumstances, and I must say frankly to him no. I do not think they are, unless a fundamental change is made in the Council's working methods.

How many Commission and Parliament proposals are still mouldering on the forgotten shelves in the Council? There are hundreds! Until the Council is prepared to move to majority voting on all but truly vital national issues — if I remember rightly, President De Gaulle in 1965 envisaged about three or four a year — no real progress will happen. Unanimity is fine when it is an essential, vital, national issue. I do not argue with it, but on more minor matters I do beg of

the President-in-Office to propose to his colleagues a way of setting up machinery to get over that. It is not our job to propose the machinery or even indeed to put proposals or suggestions to him. There are many ways of doing it, and I am sure he will, with his usual ingenuity, find one which will be acceptable.

But I believe that our citizens are rapidly becoming apathetic and even hostile to the European ideal, mainly because they see so little tangible effort being made to tackle their problems. I am not arguing for a revolution in the Council. What I am asking for is a step-by-step advance through practical policies that are relevant to today's problems and hold out hope of real success.

He did not give his shopping list — it was in the appendix — but I could give one too. Time does not allow anything but the very briefest of mentions. Unemployment, obviously, inflation, jobs in the new industries, small industries, medium industries and the high technology industry. There is an interesting document, mentioned by Mr Tindemans in his speech, put forward by David Nicholson of my Group. I would ask him to think seriously about the proposals which are in it. But these plans must be backed by action. I want youth training schemes to be expanded. I want high technology industries given the chance and the scope to establish and to grow, and I want a sophisticated arms procurement policy. I want to see some of our traditional industries, such as steel and textiles and the automobile industry, given the conditions in which they can become competitive like that great and wonderful industry of ours called agriculture which has the best productivity record in the whole of the Community.

I know that final success is impossible in six months. I do not even expect it. But what our people crave for is the evidence that plans are agreed and actually beginning to be implemented and not just talked about endlessly. Of course it will take money as well as imagination and indeed legislation, and we have not much money to spare as he made quite clear in his speech. There can be no question of breaking the 1% barrier of VAT this year, next year or perhaps even beyond it. But I should be pleased if, in the policy we have, the Council for instance could adopt the Commission's agricultural proposals, which were put forward in the 30 May mandate proposals by President Thorn. I may say that those proposals follow very closely on the ones which were adopted by this House, flowing from Sir Henry Plumb's resolution.

I was equally very glad to hear it reported that the British Prime Minister supported them when she made a speech in the United Kingdom, at the Stoneleigh Royal Agricultural Show on Monday.

Talking of Prime Ministers, Mr President, I must say to the President-in-Office that we are a little disappointed in the way the European Council works. He

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will remember how it was said in 1976 at The Hague, when we were told then of the initiation of this European Council, that it was going to be the driving force of the Community. But it has not happened. In Luxembourg there were key issues discussed, unemployment and others. Everybody knows what they were. Objectives were outlined, but nothing else. No directives, no clear instructions to either his colleagues in the Council or in the Commission. Nothing. So I say to him, please — cajole them, pressurize and even coerce them to give positive directions when they meet next time in November. For instance, as he said himself, 'every effort must be made' to find a positive solution to the problem of budget restructuring.

He also referred to common energy prices, which are crucial to the Community's development, and indeed to the abolition of the cancer of internal non-tariff barriers.

In conclusion, Mr President, may I briefly say what my own personal vision is of how this Community can and should advance. It must be a Community ever open to the free democratic peoples and one which faces the challenges of unemployment and inflation by pooling its own resources, not each trying to do the best he can, the 'sauve qui peut' attitude of the present. What is the good of clinging to the concepts of sovereignty while penury and social disorder increase? Let us work together not only here at home but also in the developing world upon which the President-in-Office sets great store, as indeed does the whole of this House. They need our help in developing their own economies which can only be to their benefit and of course to ours.

Let us in this House, as we have said, be partners, Lord Carrington, in the decision-making process of this Community. We want, as you do, a strong Europe, wherein each country feels itself an equal. Let us stop talking about axes, either between the British and the French, the French and the Germans, the Big Four or the Little Four, or whatever it may be. We are all part of this Community. We are all equal partners in it. We all want the same objectives. And our citizens, our electors, want peace, tranquillity and the chance to make a decent living and live decently in retirement. They want to see their leaders, like yourself, Lord Carrington, playing a decisive role in the world. They want and they need above all else to be proud of being European as well as being nationals of their own nation. None of this can happen quickly. But we must start. Now is the time to do it. I believe, that you, as the acting President-in-Office, have a golden opportunity to do this. I believe that you can and you will give us the inspiration to move along the lines which you yourself have in brief outlined. We wish you Godspeed. We will support you as much as we can.

(Applause)

President. — I call the Communist and Allies Group.

Mr Bonaccini. — (IT) Mr President, Mr President of the Council, on behalf of the Italian Members of the Communist and Allies Group I want to express the most serious reservations regarding Lord Carrington's remark that the Community has shown it is capable of responding to the social and industrial problems of the 80s. This is not borne out by the facts, which instead indicate a steady and continuous decline in the EEC's ability to compete in positive terms with the other major political groupings, people with vigour and determination, which exist in this world of ours.

The circumstances you are well aware of spotlight this reduced ability: high and growing levels of unemployment, production and income stagnating or declining, balances of payments and trade gaps well in the red. What it comes down to is that the Community is having a hard time of it, and we are certainly not going to get out of it by nursing vague hopes for the future or inventing new triptychs. It is odd how the magic number three has come back into vogue. I feel I ought to say we should not get carried away in using this myth from Greek philosophy in our work, because there is no way we can be sure that three is the ideal number.

We are on the receiving end of a hard-hitting monetary and trade offensive which is undermining the stability of our economies. There is no time for voicing pious intentions. What we have to do is to establish the conditions for a vigorous revival of the European Community and of the process towards total integration.

The first condition requires the coordination of national policies, the framing of Community policies and the creation of a solid and effective front in negotiations by the Member States. There is no indication that we are actually moving in this direction. I want to remind the President of the Council that this Parliament has already adopted by a sizable majority resolutions on general industrial policies, important sectors of the economy, the achievement of the common market, external trade relations, and support and cooperation with states which are developing their economy. The idea was to help people who were going through the terrible experience of starvation. These are useful achievements, and the Council cannot ignore them when it comes to introducing new methods of working with Parliament. Six months is a very short period of time, if you are going to base things on what Parliament has already outlined.

The circumstances at the moment reinforce the need not to give in and not to consider solely the disastrous unemployment figures. We should use these as a starting point to hold out new hope to the workers, to women, to young people, to every one of our citizens. There is no need to accept the exorbitant idea that the

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only answer to inflation is recession and redundancy. As the President knows only too well, the end result in any case is only inflation and unemployment.

This cannot be the European identity which the new triptych is seeking. In fact, we are calling on the British Presidency to see to it that the hold-ups in the Community process — which are all too often the result of opposition or inertia on the part of the Council or some Member State or other — are boldly circumvented and overcome. We want the working week restructured and adjusted, with a cut in the number of hours worked. We want decisive improvements in the pattern of labour costs, with harmonization of social charges, making them seem less of a tax to discourage more jobs. We want steady progress in the field of occupational training. We want workers to be better informed and to play a bigger role in affairs at work and in the general economic situation.

Here are some of the tasks awaiting the Member States in the six months just started, with regard to economic policies in the stricter sense of the term. Investment must be encouraged, with the help of loans on a massive scale using the new Community instrument and with the help of the loans which can be got by boosting the process of recycling surplus money from outside the Community. We need a strategy to combat inflation, and one which is drawn up with due regard for the complex causes of inflation, which are mainly external. This must not be an excuse for any of the Member States not to put their own budgets straight.

The Ottawa meeting in less than a week can mark the start of renewed confidence in Europe and in the ability of the seven industrial powers to provide a democratic solution to the major problems of reviving and reorganizing the economic and social affairs of the world.

We are still waiting for this solution at the moment. We are not going to restore confidence in currencies or ensure greater freedom of international trade if we kowtow to the overwhelming monetary policy of the United States. Europe must do its bit on its own, cut through the dillydallying delays and come up with its own monetary policy — which is what Parliament is urging — so as to help international economic affairs to run more smoothly.

The consistent aim of talks and discussions in the second half of the year must be to achieve more normal monetary relations, with international trade which is fairer and which shares out in a better fashion the unavoidable burden of supporting the developing economies, to boost European exports and to achieve savings and reliability as regards energy resources.

All this can be pursued better in an international climate without pressure or military leverage, which can even be felt here in Europe. I therefore want to

echo the ideas which the Italian Communists have already put forward here on numerous occasions in similar circumstances, with proposals to lessen the current level of tension so that it gradually gives way to détente and trust and so that we can give up the crazy policies regarding arms and other weapons which make a tremendous difference to the situation.

I do not want to minimize any of the points raised by the President of the Council but there are three I want to mention in particular: the missiles sited and to be sited here, there and everywhere in Europe, with their doom-laden implications for our lives and our civilization; the independent efforts for a new democratic and socialist order in Poland; and Afghanistan. Being reliable members of a defence pact does not mean giving up all opportunities for reasonable initiative. Ten major states cannot do less than what has already been achieved by the prestige and efforts of a single man, Willy Brandt, whose work in this field and in the area of North-South relations merits ample recognition in our view. Support for the new movement in Poland also means more effective commitment as regards financial and food aid. We are pleased that Lord Carrington was able to tell us that talks on the question of Afghanistan will be continuing shortly, and we hope they will be crowned with success.

These are the reasons, Mr President, why we shall be following the work of the British Presidency while keeping a keen eye on the European and world problems which are spotlighted by events at present. We firmly believe that the identity, role and prestige of the European Community depend to a large extent on a correct stance on these issues.

President. — I call the Liberal and Democratic Group.

Mr Berkhouwer. — (NL) Mr President, I have no need to tell you what a pleasure it is for me as a Dutchman and a European Liberal to welcome Lord Carrington here. He will be aware that the Netherlands has always been a strong supporter of the United Kingdom in Europe.

There are a number of points I should like to make, Mr President, beginning with the fact that I agree with Lord Carrington that the individual freedom available to the President-in-Office of the Council is limited. The room for manoeuvre has consistently been overestimated, and it was right of Lord Carrington to point out this fact.

Secondly the thing that we most admire in Lord Carrington's approach is the spirit shown by the Council in its willingness to join with the European Parliament as a partner in a joint enterprise. I think that sums up the state of affairs with exemplary brevity and accuracy. It reflects the view the Liberal and Democratic Group has always taken. It is a good thing

Berkhouwer

that, after Mr Van Agt was unable to be here to report on the Maastricht summit, Lord Carrington has now put in an appearance in this House. Relations between the European Council and the European Parliament have always been something of a problem. As far as I am concerned — and this is a view I shared with Roy Jenkins and which I hope will be shared with Lord Carrington — the only possible solution is that the Council should regard the European Parliament as its sole forum. That being so, it is a good thing that the President-in-Office of the Council is here today, and I hope that this will mark the start of a new convention whereby the President-in-Office will come here to report back to us on the outcome of meetings of the European Council. This is rather a tricky matter as far as France is concerned, but perhaps we may be privileged to welcome President Mitterrand here in his capacity as President-in-Office of the next Council under a French Presidency. But that is a matter for the future . . .

Getting back to relations between the Council and the European Parliament, I referred to us as being partners in a joint enterprise. But the fact is, Lord Carrington, that you are running a shop which — as Mr Scott-Hopkins said earlier — is not a going concern. That is the situation in the Council at present. There would be no need whatsoever for new treaties if you would only ensure that the existing Treaties were effectively implemented, and if — with true British pragmatism — you were to ensure that the Council 'shop' became a going concern once more. What we — that is, the Conservatives, the Liberals and indeed, the whole House — are asking you to do is to get things moving once more. By so doing, you will earn the grateful thanks of all of us.

Mr President, Lord Carrington referred to the triptych which dominated the 1970s: strengthening, deepening and enlargement. He postulated a second triptych as follows: renewal, enlargement and identity. The only element which is common to the two is enlargement. It is up to you to ensure that Spain becomes a member of the European Community with all due speed. We cannot keep the Spaniards waiting any longer; they have, after all, been knocking on the door since 1977 now. It is high time that Spain acceded to the Community with effect from 1 January 1984 — the date mentioned by Mr Thorn.

You also referred to the need for solidarity, which I should like to see inserted as a fourth principle. You mentioned Poland and Afghanistan. Let us show the Poles that we have no intention of supplying them with tanks and guns, but that Europe's aim is to provide the Poles with meat and butter because the people there are starving and have stocks sufficient only for another 12 days. As rich countries, we should show the Poles that we sympathize with their predicament.

There is one point of criticism I should like to make in conclusion. Take it from me, Lord Carrington, that there is at the moment no 'great' country anymore in Europe. Europe can only become great if it speaks with the voice of Nine, or Ten or — in the near future with Twelve. An axis of cooperation linking the Quai d'Orsay, Bonn and perhaps Rome belongs to the past.

(Applause from the Liberal and Democratic Group)

President. — I call the Group of European Progressive Democrats.

Mr Lalor. — May I compliment you, Lord Carrington, on your accession to the Presidency of the Council and follow that by expressing the hope that your term of office will be a fruitful one? Glowing reports of your political and international successes have preceded you here, and we look forward hopefully to further additions to the list. In your address to us today, you outlined some of the world's problems such as the situation in Afghanistan and the potential danger in Poland, which you described as being much nearer home. Sadly, however, even much nearer home still, if you look over your shoulder, you will see in my island, under your government's jurisdiction, the greatest tragedy of all, to which no reference has been made in your fine address to us. This morning Joseph McDonnell, a H-Block prisoner in Belfast, died at the end of a prolonged hunger-strike. Two months ago, in plenary sitting here in Strasbourg, I asked the leader of your group, Sir James Scott-Hopkins, to deliver an appeal to your Prime Minister. Regrettably, he did not do so. He did not do what I earnestly requested. I see him nodding, but I have the Reverend Ian Paisley's word for this. Mr Paisley told the press that she did not even read my speech to this Assembly, still less heed it. Sir James could still wax eloquent here on Monday last in continued condemnation of those men who have committed violence and killed and maimed and destroyed and who are in the Maze prison. To Sir James and, indeed, to you as President-in-Office of the Council, I would stress that very many of these prisoners are in the Maze for incitement to violence, while the greatest inciter of the lot is free, still dangling Her Majesty's invitation to her son's wedding on a string puppet-like while he decides whether or not he will honour her or insult her by not attending the Prince's wedding later this month.

Lord Carrington, please, please do something about the H-Block tragedy! The six-county problem, the North of Ireland situation, will not be resolved by passing anti-terrorist resolutions here in this House. You were brilliant, Lord Carrington, in your contribution to resolving the Zimbabwe problem. Please turn your attention and ask your Prime Minister to turn her attention to ours immediately. Let it be the first element in the policy you enunciated this morning for renewal and tackling the problems of the 80's.

Lalor

Two months ago I spoke here in a conciliatory tone. One hunger-striker, Bobby Sands, had at that time died. Today Joseph McDonnell is the fifth victim of immobility and intransigence. Unfortunately, I don't feel in any way conciliatory today. Please don't force me to raise this subject once again in September, with more lives lost and still no reaction at your end. That is a further appeal, Lord Carrington, not a threat.

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Blaney. — Mr President, in the very few moments I have got in this debate I, too, wish first of all to express my admiration for the smooth, reasoned, beautifully glossed face which the President-in-Office of the Council has given to this Community here today. I also express my admiration for his adroit mediation in many difficult areas in recent times.

However, I should also like to echo what my colleague has just said. While we hope for a successful outcome to his efforts in regard to Afghanistan, the Middle East and the problems in Poland and various other areas, would he please use his undoubted ability as a negotiator and mediator — he is a man of undoubted international renown in this particular field — to direct his attention completely and urgently to the problem that is Ireland? Ireland is also England's problem and has been for the last 800 years.

The deaths of hunger-strikers we regret, particularly here today just after the death of the fifth hunger-striker. And let no one tell me that these five men and the seven others following them are mere common criminals, seeing that they are prepared to suffer death through hunger and thirst in the interests and in the furtherance of their own political ideals. These are the same ideals held by the vast majority of the Irish people, North and South. The withdrawal in an orderly fashion of the British forces of occupation from Ireland can be the beginning of the discussions that will ultimately lead to the peace and the friendship that should and can exist between our two islands, but which unfortunately does not, cannot and will not while we are an occupied country as we are.

President. — I call the non-attached Members.

Mr Eisma. — (NL) Mr President, I should like to begin by saying that Lord Carrington's speech gave us the impression that his six months' tenure of the Presidency has been well prepared, an impression which we did not get as strongly six months ago at the start of the Dutch Presidency.

The British Presidency is determined to build up its relations with the European Parliament into a genuine

dialogue. Does that mean that, after the next meeting of the heads of government, we shall have the pleasure of welcoming not only Lord Carrington and Mr Hurd, but also the British Prime Minister here in this House? You will recall that the Dutch Prime Minister endeavoured to set things in motion in this respect during the Dutch Presidency, but that he was thwarted by a lack of unanimity within the Council. We greatly appreciate the fact that the new French President has now lifted the blockade, and we gather — although this was not included in the communiqué following the last European Council — that this should mean that we will be able to engage in debate with the head of government of whichever country has the Presidency of the Council at the time. We would appreciate clarification on this point.

We are all aware of the fact that we are facing inflation, unemployment and structural changes, and that a fresh approach is called for. What we wonder is what new elements the British Presidency's new approach will introduce to this whole range of problems. Lord Carrington's statement was somewhat vague in that respect. For instance, will the so-called Jumbo Council be reconvened in the coming six months? We would support such a move, because the fact is that, for each individual country and for Europe as a whole, a common approach to the problems caused by the recession on the part of the Ministers for Economic Affairs, Social Affairs and Finance is called for. A follow-up Jumbo Council — if planned by the British Presidency — will at any rate have to be better prepared than the first one of its kind. In this respect, the British Presidency can learn from the mistakes made by its predecessor.

We wholeheartedly agree with what Lord Carrington had to say about the need for the Community to put a damper on any further increase in agricultural expenditure so as to make more money available for the policy sectors hardest hit by the problems of the 1980s — regional development, rehabilitation and training, energy, the environment, industrial innovation, and so on. At this time of high unemployment, the policies pursued in the welfare sectors are bound to become increasingly important to the people of Europe. As the amount of work available decreases, the amount of free time available is bound to increase. The welfare problems which have so far been in the forefront of Community policy will soon have to undergo a shift of emphasis to accommodate other welfare policies in the health care, education and leisure sectors. We should like to ask Lord Carrington whether, in addition to the meeting of the education ministers announced in his memorandum, we may expect a meeting of the health ministers over the coming six months? We take the view that encouragement should be given to the formulation of a public health action programme. What Lord Carrington had to say on the principle of *juste retour*, namely that not every State should receive from the Community a sum equivalent to that which it pays in, was music to our ears, and we give him our

Eisma

wholehearted support in this respect. We are used to hearing completely different noises from the United Kingdom on this point . . .

The political role of the President-in-Office of the Council as a representative of the Member States of the Community in dealings with non-member countries is a highly important one. For that reason, we believe that the President-in-Office should devote a great deal of time and energy to this aspect. While I am on this point, we should like more information on the follow-up to the Middle East initiative to which your predecessor, Mr Van der Klaauw, devoted a great deal of time. We realize that Lord Carrington's first venture on the Afghanistan issue should not yet be regarded as a failure — at least, that is what I gather from what he said in his speech. However, his optimism with regard to a follow-up discussion with Mr Gromyko in New York in September seems to us somewhat exaggerated. In the light of earlier emphatic and unanimous declarations on Poland, we expect the Community to take new steps should these prove necessary — which we hope will not be the case.

Finally, on the question of the permanent seat of the institutions, we should like to know whether the President-in-Office can give us more information now on his proposed policy on this issue. Regrettably, Parliament has not reached a satisfactory decision on the question of the permanent seat — D'66 would prefer to see the Council, the Commission and the European Parliament in Brussels. After yesterday's disgraceful spectacle, our eyes are once more turned to the Council.

President. — I call Mrs Castle.

Mrs Castle. — Mr President, this has been a disheartening week for those of us who have come here to do a job of work, as I have done. First, we have had the Commission's document on the mandate — a very eloquent document, full of fine phrases and grandiose plans for the development of economic and monetary union. However, it has been attacked from every side of this Parliament for its lack of detail and the total failure to give us a precise timetable. One outstanding thing in that document was its suggestion that all these changes were to be achieved by lifting the 1% VAT ceiling and giving us more resources to solve everything. Now I was struck by one phrase in Lord Carrington's speech. He said that the higher the quality of the proposals put forward by the Commission, the better the chances of success. Judging by the way the Commission's proposals were accepted, Lord Carrington, we are a long way from the standard you are looking for.

Secondly, we had the vote yesterday on the working place of Parliament — a vote in which we parliamentarians, who have been attacking the conditions under

which we work, voted to maintain the status quo and thus threw away the opportunity to give ourselves the working conditions that would enable us to do our own job effectively. By heavens, it is no good now our turning on the Council and attacking them for failing to decide on one seat for the institutions, when we could not even decide on one working place for the Parliament.

Thirdly, we have had Lord Carrington's speech on the British Presidency. Now I have a very great deal of respect for Lord Carrington personally; I think he is a master of diplomatic suavity, but I say to him, without any intention of being offensive personally, that he really must recognize one thing as he starts his Presidency, and that is that Britain is the last country that should hold the Presidency of the Council at the present time. Because, as Lord Carrington quite rightly stressed to us, the key issue that European institutions face in the coming six months is that of the economic situation, which is all the time deteriorating. If Europe cannot deal with this, it cannot deal with anything of interest to the people we represent and the simple fact is that Britain is in the van of disastrous economic policies.

I thought it was a classic piece of Carrington understatement when he said, and I took down his words; 'inflation and unemployment have not yet been brought under control'. I congratulate you, Lord Carrington, on those words carefully altered from the text that was issued beforehand to some of us, with the instruction that we check it against delivery, because the words in the issued text said this: 'inflation and unemployment remain with us undefeated and daunting' — that was the sort of truth Lord Carrington is skilled at toning down for presentational purposes.

And in Britain, as he well knows, unemployment and inflation are steadily getting worse. We shall face in Britain three million unemployed before we know where we are. As for inflation, it is not yet, after two years' agony, back to the level the Conservative Government inherited from a Labour Government. The trouble about Britain's Presidency at the present time is that Britain is leading Europe in the application of monetarist and deflationary policy. And I say to Lord Carrington that if Mrs Thatcher were to venture to come to this Parliament during Britain's Presidency, some of us would remind her of that fact in no uncertain terms, because Britain is in no position to lead a European attack on unemployment. And a significant thing about the last Summit was that, at last, Mrs Thatcher met her match in François Mitterand and there was no agreement there about the economic policies that can save Europe or begin to change the disastrous economic development.

One thing I do warmly welcome in Lord Carrington's speech: his insistence that the 1% VAT ceiling cannot be breached until the restructuring of the budget has

Castle

been carried through. And I tell him he will have the backing of every Member of the British Labour Group and of the Socialist Group if he stands by that. He is right; only under financial pressure will we ever get the sort of reforms in agricultural policy that are so long overdue. But I do point out to him, as I am sure he knows, that the restructuring of the budget cannot be carried through until the share of agriculture in the Community budget has been reduced. And that means far more decisive action than he, or the Commission, have yet visualized.

Look at the 1982 preliminary draft budget — it shows us that such a budget, based on present agricultural policies and present levels of agricultural spending, leaves only a margin of 400 million pounds sterling in hand before the 1% limit will be reached next year. And that is before the next farm price increase. I certainly did not find it particularly encouraging when Lord Carrington, in his remarks on the Dutch Presidency, claimed it as a success that the agricultural price fixing last March was reached without acrimony. Surprise, surprise; how was it reached? By agreeing to a figure that was well above what the Commission recommended as prudent pricing policy.

The Commission's solution of unacceptable budgetary situations, I believe, is unacceptable. It still only gives Britain two-thirds of the loaf: it does not give us the kind of permanent solution that Erwin Lange, president of our Committee on Budgets, pointed out two years ago. There must be a permanent reform of the financing machinery so that you put every country on a basis related to its ability to pay, that is, gross domestic product per capita. That kind of policy is the only hope, coupled with a fundamental reform of the CAP.

So I wish Lord Carrington well, under one of the most impossible assignments he has ever faced. He may be a Houdini as far as Zimbabwe is concerned but, my God, he is going to find it difficult to get out of the unemployment situation under a Prime Minister like Mrs Thatcher. I wish him well and I say to him that the first thing he has got to do is to learn to stand up to his own Agriculture Minister.

President. — I call Mr Diana.

Mr Diana. — *(IT)* Mr President, it has already been pointed out by others that the changeover of the Presidency is taking place at a particularly difficult and delicate stage in the life of our Community. On the one hand the world economic situation is decidedly unfavourable and is affecting the economies of all the Member States, while on the other the twin scourges of unemployment and inflation are aggravated by our unsatisfactory economic and trading relations with our major competitors, the United States and Japan.

We cannot believe that there can be reasonable and lasting solutions to these serious problems until the Community is capable of overcoming its own internal contradictions, by seeking Community rather than national solutions to them, and until it is capable externally of agreeing with its major partners upon measures designed to share out sacrifices and benefits more fairly. The need to speak with a single voice is the slogan repeated from many quarters, and we all fully agree with it. However, it presupposes that the Community will resume its interrupted march towards integration and receive from its institutions a new stimulus capable of arousing it from its present torpor. Just as completion, deepening and enlargement — aims which incidentally have still not been fully achieved — characterized progress in the last decade, so the new aims sketched out by the Presidency — renewal and enlargement to include the new applicant countries — may characterize progress in the 80s to ensure that the Community develops its own identity.

I would like to add, for my part, that the search for an identity presupposes the pursuit of a fourth aim which has not been mentioned here, namely economic convergence. For the aim of an effective European identity is unattainable as long as the present imbalances among regions and among States persist. To achieve these aims it will of course be necessary for the institutions to show imagination and goodwill, as the Presidency stated. This will be necessary, but not sufficient — we also need a budget capable of meeting both the new commitments awaiting us in the fields of social policy and regional policy and the need for the development of other policies such as energy policy, industrial policy, transport and land use policy, to mention only the more urgent ones. Above all, this would enable the countries whose stake in the agricultural sector is small to restore a balance in their payments to and receipts from the Community budget.

To imagine that these requirements can be met by making savings in the agricultural sector is to lose touch with reality. For whereas it is certainly true that savings can be made in some productive areas of the agricultural sector by improving management and avoiding the waste of resources, it is equally true that in other areas, particularly that of improvements in production structures and that of Mediterranean products, the Community commitment is already wholly unsatisfactory and will be even less in a position to meet the new requirements which will arise from the accession of the two applicant countries. I do not think I can agree with the claim that has been made that farmers, unlike other categories, have enjoyed relatively secure incomes, because in fact agricultural incomes have declined in the last few years, while the gap between them and the incomes in other socio-economic categories has widened. In Italy this gap is now about 50%, and this situation is unacceptable. Only an increase in the Community budget will make it possible to tackle the new problems facing Europe with some chance of success. The excuse — for it is an

Diana

excuse — that it is necessary first to halt the growth in agricultural expenditure no longer holds water, because even in the last few years agricultural expenditure has grown more slowly than the inflation rate. And even for 1982 the forecast is for a lower percentage growth than that of the overall EEC budget, since the rate of growth of the EAGGF is almost halved in comparison with earlier years. If, even today, the proportion of agricultural expenditure may seem excessive in relation to what the Community spends in other sectors, this is due on the one hand to the erroneous inclusion in the agricultural budget of expenditure items which should really be placed in other budget sections — as this Parliament has frequently pointed out, though the observation has fallen on deaf ears — and on the other hand to the undeniable fact that agricultural policy has moved more rapidly than other policies towards the goal of integration.

Now, there are two ways of bringing stragglers back into line — one can hobble those who walk more quickly, or one can urge on those who lag behind. Personally I prefer the second method, for history has never rewarded indecision, procrastination or timidity. The forward march must be resumed also and above all in the field of monetary unification, with the transition to the second stage of the EMS and by calling on the countries which are not yet participating to join it. In the face of the increase in the American interest rate and the resulting rise in the value of the dollar, not only the EMS — the development of which has been put on ice — but all the European currencies have suffered serious repercussions. All the central banks are adversely affected by the outflow of currency reserves used to counteract the rise in the value of American currency — hence the urgent need to resume progress towards monetary integration and the coordination and harmonization of economic policies.

The forthcoming Ottawa Summit is an opportunity for a practical demonstration of the will to develop the European identity, provided that we can speak there with a single voice and adopt a strictly Community position. Moreover, to that end the Presidency must refrain from regarding some Member States present at Ottawa as if there were some kind of 'board of directors' in the EEC. Such an attitude would be totally unacceptable not only for the States which were excluded from such Summits, as has occurred even quite recently, but for Parliament itself, which has never accepted such discrimination.

In conclusion, I would like to ask the Presidency and the Commission to report promptly to Parliament on the conclusions of the Ottawa Summit, which we hope will be positive. And finally, since the European Council at its last meeting in Luxembourg expressed the readiness of the Heads of State and Government to appear before Parliament from time to time, it would in my view be to the credit of the British Presidency if it introduced this laudable practice.

(Applause)

President. — I call Sir Frederick Catherwood.

Sir Frederick Catherwood. — Mr President, the Members of the European Democratic Group welcome the President-in-Office with a special warmth because we know him as an exceptionally able statesman, who is capable of breaking the toughest problems where everyone else has failed. He knows that six months is a short time — 4½ months with the summer break. My own view, after two years here, and seven Presidents-in-Office — Lord Carrington is actually the eighth since we arrived here — is that the President has really got only time for one major initiative. And my strong plea, echoing what has been said around the House by so many others, is that the President should take an economic initiative against the present raging torrent which has swept away eight million jobs in the Community, 2½ in our own country, which has brought riots from our own young unemployed with nothing else to do and all day and night to do it in, and with no stake in the economic system and no incentive to maintain it. Our Ulster troubles, to which two of our friends referred, started at just such a critical level of unemployment in Londonderry 12 years ago and we could wish now that that genie of violence had never got out of the bottle. So we have not got all that much time, but we have got this six months of the Presidency.

Now, the President has reported that the European Council had decided that inflation and unemployment were the responsibility of national governments, as ten people in a raging torrent might want room for manoeuvre to keep afloat and be afraid to hold hands while they found their footing again. But, if you look at the actual cause of the economic depression, the inability last year of the desert oil-producers to spend their 115 thousand million dollar surplus from the '79 oil price rise, you will see that this is not something that can be corrected by the individual nation states of Europe, or by Japan or, in its present mood, by the United States of America. But it can be corrected, and it must be corrected, by the Community acting together. And therefore it is absolutely vital that at this critical moment the President-in-Office of the Council takes hold of that.

In September Parliament will be discussing a report of my committee on relations with the Gulf States, which proposes an economic agreement with those states, the desert oil-producers, to try, for their benefit and for ours, to recycle those surpluses which at the moment from their point of view are in depreciating currencies into long-term Eurobonds, which can be spent for instance on alternative energy sources and used in joint ventures to help the Third World as our contribution by the Community to Brandt to keep the Third World going when it has run out of money. The French Foreign Minister, the President-in-Office's colleague, while he was here as Commissioner, gave that particular report his blessing, and I believe that

Catherwood

our own extensive consultations here for over six months, not quite completed yet but shortly to be completed, will produce a workable proposal which will have the broad support of the Parliament. Certainly, I have never worked so hard myself for anything in the last six months as I worked for a broadbased support for that particular project.

Finally, it would be a real mark of the President's achievement if he could at last bring Britain into the European Monetary System. The last President of the Commission said that we should join, so does the present President; so, in quite explicit terms, did the German Chancellor a few days ago and so do all my colleagues in this group. We must put the full financial weight of the Community into the fight against recession, currency instability and inflation, and Britain's membership in the Common Market means nothing if its currency could be forced up 25% by speculation in the two years in which it has stood alone outside the European Monetary System. Then, if we are in, the EMS can go forward to its next stage, and at its next stage, with more of the reserves of all of the currencies behind it, it can speak on equal terms to the dollar and we can, it may be hoped, make some proposition with the dollar and the yen and stabilize these currencies which have been unstable for the last ten years.

These, Mr President, are things that can only be done by the European Community acting together, and I therefore absolutely repudiate the message that came to us from the Luxembourg Council. We must ask the President-in-Office of the Council to take these initiatives up, because after six months it is going to be too late for all of us.

President. — I call Mr Damette.

Mr Damette. — (*FR*) Mr President, ladies and gentlemen, if the British Presidency is going to be in line with the speech by the British Foreign Secretary, we are justified in being concerned about the positive development of the Community during this period. The reaction of the French Communists to this speech can be summed up in one word — disappointment.

Let me explain. The Minister presented us with a catalogue of the accepted ideas on European problems of all the right-wing parties in Europe — no innovation, no trace of imagination, and no reference to real living conditions.

But — and this is more serious — this speech does not seem to me to tally with the results of the last European Council, for, if the documents of the Presidency itself are to be believed, a number of new ideas emerged in Luxembourg on 29 and 30 June — new, that is, for the Council. One of these ideas was the reduction of working hours to combat unemployment, it being well understood that this proposal makes sense

only in the context of a more general policy aimed at social progress, development of mass consumption and structural reforms as necessary conditions for overcoming the crisis in the capitalist system and effectively solving the unemployment problem. I can well understand that these ideas would not seem to appeal to the British Government — nor to one or two others! But it seems to me unjustifiable that they should be ignored and swept aside so casually, and at the very least this considerably reduces the credibility of many European speeches.

I would add that the credibility of your speech, Lord Carrington, is also seriously impaired by its confusion of national responsibilities with Community tasks. The communiqué of the European Council has at least the merit of clarity in this respect, since it states that the governments are primarily responsible for these measures, and that they must perforce take account of the different economic conditions prevailing in the Member States as well as of their individual possibilities and the constraints facing them. You insist on describing as a 'depending of Europe' a policy which aims to transfer the responsibilities of the States to a supranational authority. The financing of the iron and steel industry or any other sector, vocational training policy and regional development policy are all matters for the Member States to decide. The Community level should be concerned with harmonization and coordination, and should not substitute itself for the national level. On the other hand, there are areas where Community responsibility is fully established and where you seem to be strangely timid. For example, is there a European policy to cope with the interest rates decided upon by the United States? Will your action go beyond friendly representations to the American Government? What practical European measures do you envisage to protect the Community effectively against what amounts to naked economic aggression? We would have liked to hear your views on this, unless we should regard as your reply your recognition of — and I quote — 'the crucial role played by the United States'. Unless, perhaps, that sums up your idea of Europe.

Moreover, you seem to attach great importance to international politics, but your approach seems to me strangely disjointed and particularly selective. Not a word about the dangers of excessive nuclear armament in Europe or the need for reciprocal disarmament and immediate negotiations among all the states concerned. A widespread popular movement for disarmament is emerging in Europe. Should it not find a positive response here — without prejudice to individual responsibilities? The essential questions of the new world economic order are hardly touched on, being glossed over in very vague terms, although the crisis is hitting third-world countries very hard indeed. There is nothing about the running of the large international organizations, or the development of the new type of international cooperation which the world needs to counter the system of the multinationals. And

Damette

the reference to the Lomé Convention makes no difference to that. What is even more serious is that you are confirming for the European agricultural policy the aim of setting a ceiling for production at the market level — a question of balancing the books — while ignoring the enormous needs which transcend mere accounting, such as the tremendous question of world hunger which is still very much with us. Yet there is scope there for Community action and responsibility. Moreover, you seem prepared once more to survey the political scene, but your vision of the world appears to be very limited. The great principles are subjected to very precise political censorship. The murder of trade unionists in Turkey appears to be irrelevant to human rights. The military occupation of the Western Sahara by Moroccan troops does not seem to be regarded as foreign interference. As for the massacres in El Salvador, they are not regarded as coming under either heading. And, of course, there is no mention of Palestine or of many other troubled areas of the world.

For all these reasons, Lord Carrington's speech seems to us to be very far removed from the real problems of Europe and the world, as well as from the measures which the European Community should be taking. I would add that it is not historical chance but rather the logic of history which has led to your speaking here today at precisely the time when the body of a fifth Irish martyr, Joe McDonnell — to whose memory I wish to pay tribute — is being taken out of Long Kesh prison.

I would also add that the majority of this Parliament did not enhance its reputation on Monday by rejecting our Group's proposal for a discussion of these questions. For our part, we think that the European Community has a role to play in the world, and we shall continue to make precise proposals for peace and disarmament, international solidarity, combating hunger and finally for social progress in Europe itself. We shall do so all the more because we do not think it is inevitable that a right-wing groundswell will spread across Europe as a result of the crisis. Indeed, there seem to be more and more convincing signs of the opposite tendency.

President. — I call Mr Calvez.

Mr Calvez. — (*FR*) Mr President, ladies and gentlemen, my speech will be confined to the social aspects of the last European Council, but before tackling this subject I would like to tell the President of the Council that I was somewhat surprised by what he said about his view of the Common Agricultural Policy.

I hope he will not mind me saying to Parliament that the increase in the agricultural budget was no higher in percentage terms than that in the Community

budget as a whole, and also that agriculture does not offer job security, when one considers the migration of the working population from rural areas in recent years.

That said, we all know that the most attractive social proposals will remain illusory if the economic situation in the Member States does not improve. Recession is beginning in the Federal Republic of Germany. Italy is likely to have zero growth in 1981 and 1982, and the other Member States of the Community will have extreme difficulty in exceeding the 2 % level.

Instead of placing emphasis on the restoration of public confidence in our economies and on increasing investments designed to stimulate growth and employment, we now have the idea of creating a 'European social area'. We are all interested in the social sphere. It is not the exclusive preserve of any political group in this Parliament. And it is no use promising more if the necessary finance is not guaranteed. When a boat is overloaded, it sinks. It is growth and profits which should be shared, not poverty. And be careful lest the dream of the European social area should give way to a desert landscape.

Up to now priority has been given to the fight against inflation. This must continue to be the case, for improvement of the competitiveness of firms is the best way of ensuring higher growth and combating unemployment. Let us try to achieve a modicum of unity in dealing with the United States, Japan and the Third World.

Let us be realistic. The essential thing is to further European integration, since we can see that there is too much diversity among national policies and that this diversity tends to cause distortions of competition and competitiveness within the Common Market. The revival of industrial investment by international loans, and the drawing up of an industrial plan to encourage high-technology industries are proposals which the Liberals in this Parliament have already presented and defended in the last few months. Our friend Mr Pintat even launched the idea of a loan to finance a Community energy policy. This is a road which we should follow.

In conclusion, I would say that the reduction of working hours is a delicate matter. It will be necessary to develop ways of reducing working hours which are suitable for individual firms, and above all to prevent this measure leading to an increase in production costs which would reduce the competitiveness of firms. This can be achieved by better use of plant and an increase in overall production. It is only by applying measures worked out by all the European partners in the same spirit that the Community can ensure the welfare of its inhabitants, and for that reason we shall follow the deliberations of the next European Council with interest.

President. — I call Mr de Lipkowski.

Mr de Lipkowski. — (FR) Following on from Lord Carrington's speech, I would like to make a few brief remarks on the problem of political cooperation. If there is one field where Europe must assert itself, it is this one. The international community is waiting for Europe to appear and play a role on the world scene. But the world, which rejects a bipolar system, sees no sign of this happening, and that is one of our major failures.

Lord Carrington had the good sense not to give way to the temptation of complacency, to which we often fall victim in this Parliament, and he did not express satisfaction at non-existent successes. He had the sense to acknowledge our weaknesses in this field of political cooperation.

I share his assessment that political cooperation is going badly, for two reasons. First, there is a problem of unsuitable mechanisms, and in this connection Lady Elles' proposals seem to me worth taking into account, particularly with regard to the setting up of a permanent secretariat. But in fact I think that Lord Carrington was entirely right to say that the second obstacle to true political cooperation is what he euphemistically called the weakness of our commitment to act together — in other words, our total lack of will.

Indeed, we do not manage to act together on international matters because we have not succeeded in defining an international policy together. Are we sure that we want a comprehensive and coherent foreign policy for Europe? Here we come up against the problem of our identity, which was quite rightly raised by the British Presidency. If it is difficult for us to affirm this identity in the economic sphere, in the face of all the challenges of the modern world, in the face of inflation and unemployment, there is, even so, one sphere where we could assert ourselves in an original way, and where we have no excuse for not asserting ourselves — that of European foreign policy. It is a problem of identity. It is inexcusable that we should go on being so timid about asserting ourselves in foreign policy. We merely react to events on an *ad hoc* basis, without having an overall approach.

For instance, Afghanistan crops up and we discuss Afghanistan; Poland crops up and we discuss Poland, but we never place our action or our approach in the context of an overall policy. The world observes this lack of direction, and that is why our intermittent foreign policy initiatives do not have the impact that they should have, and are therefore not seen in the context of any general perspective.

In the case of Afghanistan, we did well to affirm a principle — that of the unacceptability of the occupation of a country by foreign forces. Was it really useful to demonstrate that our views were for the time being

irreconcilable with those of the Soviet Union? We already knew that, and it was perhaps not entirely necessary to demonstrate it. I think it would have been more profitable to confine ourselves to this condemnation in principle and to work out together an overall policy on the problems created by the unstable zone around Afghanistan.

That would probably have led us to affirm that Europe had no place in any kind of conference on security in the Gulf — a conference which we shall certainly see appearing on the agenda, and in the course of which a Soviet counter-proposal will no doubt be made by Mr Gromyko in response to Lord Carrington's proposal. We have no rôle to play in such a conference on security in the Gulf, but we should still reflect on it.

Similarly, Lord Carrington told us that it was important to consider the European position on problems relating to Helsinki and its follow-up conferences in Belgrade and Madrid. Here again an overall perspective is lacking. There is not much point in taking a stance on Belgrade or Helsinki unless we have a general policy on the problem of East-West relations, which are deteriorating. There is international tension, and there is an East-West crisis. What is the remedy? It is in the light of this general consideration that we must ask ourselves whether we should go on with the process at Madrid, for this cannot be dissociated from an overall view of East-West relations.

Likewise — the previous speaker said this, and I repeat it without drawing at all the same conclusions as he did — there is a problem of over-armament in the world, and there is a problem of over-armament in Europe — that of the 'Euro-missiles'. Are we going to side-step this question which is so crucial for the security of Europe? Are we going to exclude this subject from consideration? To me it is unthinkable for Europe to remain silent on this matter.

Finally, on the Middle East, I do not in any way criticize the initiatives which were taken under the Dutch Presidency. I think that rather than talking of initiatives one could talk of an exploration which served to inform us, but the question is whether we have brought about any progress on the problem as a whole. Of course we do not hold the keys of war or peace; of course I do not want to overestimate the rôle which Europe could play, but nor do I wish to underestimate it, and I think that we do so when we act in such a way that we are ignored. It is no secret that Mr Van der Klaauw was not well received in Israel. Whatever one may think of Mr Begin's policy, I think it is in our interest to speak in such a way that our views are heard.

In this connection, I think that we would have had the impression of being listened to rather more if we had taken a stand in favour of the part of the Camp David agreements which dealt with Palestinian autonomy, for up to now these are the only agreements in which

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Israel has made any commitment in favour of Palestinian autonomy. This is a far from negligible point.

Mr President, we must go to the heart of the matter and not content ourselves with occasional or cosmetic initiatives. The cosmetic requirement is for Europe to speak with a single voice. Lord Carrington, can Europe speak with a single voice when it is not in basic agreement? In that case it would be better for it to speak with several voices than not to speak at all, as was the case, very regrettably, in the North-South dialogue.

(Applause)

President. — I call Mrs Macciochi.

Mrs Macciochi. — *(IT)* Mr President, I would like to ask Lord Carrington to be kind enough to state here what stance he will take on Kampuchea at the meeting in which he will take part as the representative of the Ten at the United Nations on 13 July.

In particular, Lord Carrington, I would ask you to tell us how you intend to tackle the problem of the allegedly legal continued representation of Kampuchea in international bodies by Pol Pot, regarded even today as the only representative of that country — a glaring anomaly when one remembers that he launched a wave of killings among his own people.

I would like to ask you if you are aware that, in a democratic Europe, it is increasingly difficult in the face of public opinion to align oneself, in the name of human rights with the policies adopted by American and China.

I therefore ask you, as the representative of the Ten in your first important mission abroad, whether you regard the solution of the 'empty chair' at the United Nations as acceptable for you or for the Ten pending elections monitored by the United Nations in Kampuchea, subject to the proviso of evacuation of the occupying Vietnamese troops, in order to restore the national sovereignty of Kampuchea.

In a second stage the Ten could propose — as they did for Afghanistan — that in the talks among Kampuchians all shades of political opinion should be represented, alongside Heng Samrin's government and, of course, Prince Sihanouk, who appears to be the only statesman still capable of bringing about a reconciliation among Kampuchians.

President. — I call Mr Romualdi.

Mr Romualdi. — *(IT)* Mr President, first and foremost may I express our profound regret, not as Ital-

ians — although we would have a right and duty to express it as Italians — but as Europeans that a meeting recently took place in Lord Carrington's office in London between the British Minister and only two other Foreign Ministers of the European Community — those of France and Germany — to discuss the most important and urgent problems at the beginning of the British Presidency. An informal meeting, admittedly, but no less disturbing for that. We have a duty to be concerned about it, not least because it contradicts the statements made this morning on political cooperation by Lord Carrington himself. This contradiction could lead one to suspect the intention of marking the British Presidency with an unpleasant return to the policy of two-or-three-country 'directorates' — a policy which has never been fruitful or useful at any rate for the economic and political interests of our Community.

For this and other reasons, we are opposed to all directorates, even those which might include Italy. As is right and proper, Europe wants its own autonomous and independent policy, capable of ensuring respect for its rights and the defence of its special and fundamental interests in the context of the more general interests of the Atlantic Alliance, in order to safeguard a freedom which the European Community will never be able to forego if it wishes to remain free and independent, with all the Member States contributing instead of some being dominated by the policy of others.

On the economic situation Lord Carrington told us that it is necessary to fight a battle on two fronts — against inflation and against unemployment. Unfortunately he did not tell us how to fight this battle. Since the Luxembourg Council ended its meeting by saying that it is primarily up to the national governments to tackle these problems in their own countries, one must say that the hope of solving them has not made much progress in this respect, for while it is true that these problems are closely bound up with the economic and social characteristics — both structural and transient — of each country, it is also true that they can only be solved by an overall response to which the whole of the Community's economic life is committed.

In effect the Council's policy, at least according to what Lord Carrington said, is confined to hopes for the progress of the 'jumbo' project which has not so far yielded practical results and for the loans of the European Investment Bank which are undoubtedly the most substantial contribution — and one which we hope will be increasingly stepped up — to supporting the productive efforts of small and medium-sized enterprises, but which are not enough in themselves to constitute a policy.

There is also the problem of the common position to be adopted at the Ottawa Conference in defence of our economy and our currencies in the face of the

Romualdi

aggressive monetary policy of the United States and Japan.

On the Middle East, Lord Carrington could not have told us less than he did. It would appear that the Council is studying the facts collected before the Thorn Presidency, during the Dutch Presidency. These are now a year old. In my view, this is unsatisfactory. No-one can imagine that this is enough to enable us to play even a marginal role in the attempts to bring about peace in that area.

What does Lord Carrington think of the revival of the Camp David agreements? On the Afghanistan initiative, Lord Carrington, you confined yourself to telling us what we already knew — that it is a plan for a conference in two stages. Of course it is a serious plan, but it does not have much chance of going beyond an act of goodwill which the Russians and the Afghans themselves clearly reject.

You told us little about your talks in Moscow. What is the real attitude of the Russians at present? Is it true or untrue that they continue to present the Afghan problem as being closely bound up with the security of their own borders — and not, as it really is, a very brutal invasion — and therefore a problem to be dealt with alongside the question of the installation of the so-called 'theatre nuclear weapons' in Europe?

If we wish it to operate even within the limits and in the ways which Lord Carrington seems to envisage, political cooperation requires these and other clarifications to be given as soon as possible and in the most direct way, so that Parliament may be, as we all wish it to be, the responsible and practical expression of the wishes and interest of the European peoples, including the Polish people. To alleviate the situation in these countries and help them the Community has already acted generously; it must continue to do so in future, and must also help Spain and Portugal, whose accession we hope will take place as soon as possible.

President. — I call Mr Glinne.

Mr Glinne. — (*FR*) Mr President, at the European Council in Luxembourg on 29 June last, the President of the French Republic laid particular firm stress on the social aspect of the Community, hitherto neglected, on the equal priority to be given to combating unemployment and inflation, on the reduction of working hours and on the creation of a 'European social area'.

Our Group hopes that this emphasis, which it has also been advocating for a long time, will have practical results, all the more so since the Luxembourg Council coincided with an impressive demonstration there by about 6 000 workers who travelled from all parts of Europe in response to a call from the European Trade Union Confederation.

Mr President, we often wonder — and we have done so again today at some length, in the form of institutional concern — about ways to improve the Community's image and credibility.

Allow me to repeat here that the most effective way to combat scepticism and indifference would be to show the nine million unemployed in the Community — and this number is higher than the total population of some Member States — that Europe intends to contribute effectively to solving their problems.

The European Trade Union Confederation, in particular, has constantly called for such action, which is justified both by economic and social necessity and by the need for a convincing attitude on the part of the Community. Partial results have of course been achieved, such as the recent Council decision at last to grant appropriations in the iron and steel sector — although these are lower than the amount advocated for accompanying social measures by the Socialist Group and by Parliament in the Peters Report — particularly for the financing of early retirement and compensation for short-time working.

But much more is needed. To give some idea of the scepticism to be overcome, I would like to speak briefly about the tripartite conferences experiment. The European Trade Union Confederation took an active part in three conferences of this kind, in June 1976, June 1977 and November 1978, and each time it presented detailed proposals for improving the employment situation and changing economic policies in the Community. However, these conferences unfortunately ended in failure, both because of the obstinate refusal of most of the representatives of the governments and employers to change their policies and also because of inadequate organization. The conclusions reached by the Chairman were described as ponderous, non-obligatory and usually not practical enough. That is why the ETUC, after the failure of the last tripartite conference in November 1978, decided not to participate in any more such conferences. That is why other procedures were adopted, such as that of the 'jumbo conference' held in Luxembourg on 11 June this year.

I would like to stress that, although it was said that the atmosphere improved greatly at the 11 June meeting, things have been left in the air, and there is still a certain amount of dissatisfaction very similar to the frustrations felt in the Employment Committee and previously in the tripartite conferences I mentioned.

This is one more reason, in the Socialist Group's view, to stress once again the importance of the six-point manifesto which the European Trade Union Confederation published in Luxembourg on 29 June and passed on to the European Council. The manifesto advocates: 1. more active intervention on the part of Governments to ensure considerably higher and more selective levels of investment; 2. considerable strength-

Glinne

ening of job creation and vocational training schemes; 3. a reduction in working hours; 4. an increase in aid to developing countries on the lines laid down by the Brandt report; 5. a fair distribution of the burden of the changes without jeopardizing existing social security arrangements; 6. finally, the European Trade Union Confederation stresses its firm belief, shared by the Socialist Group, in the need to combat inflation with specific policies which are socially just and not by aggravating the scourge of unemployment.

Mr President, as in the past, the Socialist Group holds views very close to those of the European Trade Union Confederation. I wish to remind Parliament of this in connection with the 29 June Council and also in relation to the Presidency which has just begun.

In this context, and in view of the start of the British Presidency, I would like to stress that coordination of economic policies is desirable and would be a sound principle for the Community to follow. Many of us in Parliament are waiting for the United Kingdom Government in particular to abandon its strong ideological attachment to monetarism and thus counteract the growth of unemployment and the consequent deterioration of the social situation.

Mr President, I would also like to put a precise question regarding the consultation procedure between Parliament and the Council.

The meeting to be held on 22 July is certainly a laudable initiative on the part of the Presidency of the Budgetary Council, but I would remind you that we are still waiting for the Council's reply on the resolution passed by Parliament on the need to improve the content — yes, the content — of the consultation procedure on the budget.

Indeed, merely to improve the form would not amount to a change in the substance, and it is the latter which is called for.

Finally, Mr President, a word about a point which was not dealt with in Lord Carrington's very interesting statement. I dare say he will not deal with it, because he knows — as we all know — that tomorrow, Thursday 9 July, there will be a discussion in his presence on the situation in Turkey, involving several parliamentary committees meeting together.

If I may anticipate slightly what members of my group will undoubtedly say at this meeting in the presence of Lord Carrington, I would like to say that, for us, two events in the recent past are particularly disturbing. The first of these is the ban imposed by the Turkish Government on participation by members of political parties — simply because they are affiliated to a political party — in the constituent assembly shortly to be set up to organize what can hardly be regarded as a serious return to democracy. This is extremely shocking to us, just as we are shocked by the fact that

the Turkish prosecutors, as a matter of course — and they have already done so a thousand times since the military takeover — have just called for the death penalty for 52 trade unionists, since trade union membership is regarded by the regime as a crime in itself. These two extremely serious facts lead us to the immediate conclusion that the time has not yet come to sign, let alone to implement, the fourth financial protocol between the Community and Turkey.

I apologize to Lord Carrington for not being able to listen to his reply, but we have two meetings now — that of the enlarged Bureau and that of the Bureau of our group.

IN THE CHAIR: MR KATZER

Vice-President

President. — I call Mr Beumer.

Mr Beumer. — (NL) Mr President, there are a number of worthwhile things in the Council's report of 1 July, in which reference is made to the internal market and the continuation of a coordinated and flexible policy, and which says that the Community must act more in unison. However, I should like to remind you of other reports, such as the report of the Paris Summit of 1972, which refers to the need to establish a unified industrial base. The Council report of July 1974 again says that the Community must have an industry which will be fully viable and competitive by the beginning of the 1980s. That is at least setting out the aim clearly and courageously, and I was pleased to note in Lord Carrington's speech something of that specific and go-getting spirit. That kind of attitude is sorely needed because Europe has fallen behind other major industrial powers like the United States and Japan. To give you just one example: the European computer industry's share of the market has fallen to something like 16%; it used to be much higher than that.

I should also like to draw your attention to a speech given by the Director-General of Philips, a major European company. He said that it was essential for business to organize itself at a European level, and he went on to say that if we do not do so, we shall all perish. Another of the points he made was that there was insufficient initiative coming from the Community. His contention was that the Community was still a loosely-knit combination of States which would have to collaborate on working out a European strategy capable of competing with the two most highly industrialized and technologically most advanced countries in the world.

Beumer

I rediscover some element of this when I think of the case put by the European trade union movement, which in Luxembourg advocated upholding what has so far been achieved in the social sphere and conserving existing jobs and creating new ones. The fact is that the European Community is the only industrialized entity which is running a balance of trade deficit with other parts of the industrialized world. The Council report says that the responsibility lies mainly with the national States and measures can be made more effective if pursued in a coordinated Community framework. If that is not an alibi for a half-hearted policy, I do not know what is. Is it not an essential dement of any industrial policy worthy of the name that whatever can be done at a European level should be done at that level? Surely the national context is too narrow a base from which to get an adequate European industrial policy off the ground. All our Member States are now busy shifting the emphasis from a defensive to an aggressive policy. In other words, all the Member States are releasing funds to be ploughed into future-orientated investment. That is what we must be aiming for, because that is what we so sorely need. If each Member State tries to stimulate its own economy off its own bat, the Community will finish up as an also-ran. Japan has a much smaller share of world trade than the Federal Republic of Germany, but despite this has still managed to make inroads into our position on the world steel, shipbuilding and textile markets. In 1980, Japan alone accounted for 50% of all new shipbuilding.

I should therefore like to ask the Council to make full use of the instruments at our disposal and of the full range of Community trade policy facilities, i.e. national support measures, competition policy and the abolition of trade barriers. Fortunately we have now reached a stage in our competition policy where, instead of trying to track down cases of distortion of competition, we can place more emphasis on strengthening our industrial structure.

In that case, I should like to ask the highly specific question of whether it is not time we commissioned studies on the future of European industry and whether it is not time the Community itself put out more work to European industry. But this would require decisions on the part of the Council. Those parts of European industry which are critical of us could be of assistance to us by stating precisely what could be done better at Community level than at national level. In that case, though, we need some means of channelling this practical advice to us, and here I would draw your attention to an opinion formulated by the European Parliament regarding the setting-up of an industrial committee, something which was proposed by the Commission as long ago as 1971.

In discussing the positive aspects of the Dutch Presidency, Lord Carrington mentioned the steel agreement, but what would that have amounted to without

the ECSC Treaty? How can we really stimulate particular industries in the absence of a properly organized framework? That is the kind of thing we need, and we have certain instruments at our disposal. I am thinking here of Articles 58, 92, 100 and 101. For stimulating trade, we have Article 113, and for the structural reforms we have Article 235.

That is the kind of thing we need in view of the fact that it is now no longer possible for any individual Member State to implement an industrial policy of its own on any real scale.

It is a good thing that agreement has been reached with Japan that trade contacts should be via the Community. However, it is only by adopting a genuinely Community attitude that we shall be able to add to the value, significance and effectiveness of these contacts. If we fail to make common cause, the Japanese will not take too much notice of our calls for greater openness on the market. In other words, we ourselves bear a great responsibility in this respect, and for that reason, it seems to me that the relevant passage in the report of 1 July was not worded strongly enough. What it says is:

The Community should make the fullest possible use of its bargaining power as an entity.

In my opinion, Mr President, the words 'should make' should really have been stronger.

There is one final point I should like to make on small and medium-sized undertakings. Again, the Council report says:

A considerable growth potential is to be found in the sector of small and medium enterprises.

I think this is a useful comment in that proposals have been put forward for making greater use of our growth potential. I am thinking here, for instance, of a draft regulation on European cooperative groupings. In 1978 the Council agreed that further thought should be given to the idea.

I am also thinking of the Commission proposal to draw up Community development contracts to help small and medium-sized enterprises to innovate. This would be a practical means of putting into effect the welcome words addressed to the small and medium-sized undertakings. I get the impression that the Presidency has the right attitude and motivation, and I therefore have high hopes of progress being made here.

President. — I call Mr Møller.

Mr Møller. — (DK) Mr President, I should like to thank you for the illuminating and stimulating speech you gave here this morning. A new President always

Møller

has to face a very critical audience but I think we all — or at least the vast majority of us — feel that you managed to say something which genuinely restored our faith in the European ideal. I would therefore ask you to accept our thanks in the spirit it is offered. I too would have thought it was obvious that the six months for which any President is in office makes it impossible to expect anyone to complete his plans in the time available. Decision making is a very slow process in this vast machinery which means that the great promises have rarely been kept by the time we get to the end of the six months. I therefore hope for the sake of this Community that one day we will be able to be sufficiently supra-nationalistic to give a suitable President a longer period of office. However, Mr President, I cannot promise that this will happen during the next six months.

You made another point which I regard as very important. You said that we were partners, i.e. that the Council and Parliament were partners. We each have our own powers, we each have our own opportunities, according to the Treaty, for influencing the development which we are all, or at any rate the vast majority of us, are interested in and I hope, therefore, that this partnership will not be a one-sided affair, but that it will be a two-way partnership in which we both respect each other and can jointly obtain whatever results are possible within six months. In listing renewal, enlargement and identity, you gave utterance to words which, I think, are on a lot of people's minds since we are pressing towards a renewal in European thinking. On several occasions over the last year, we have deplored the fact that there is a certain tendency to frustration and scepticism as regards the European idea: a certain defeatism has overtaken us. However, Mr President, you spoke of renewal and you spoke of identity from enlargement. This is something we all know will happen — indeed the discussions have already begun.

We are pressing towards renewal and I hope that during your Presidency we will get some idea of what form this renewal should take if this Community is not to stiffen up into an enormous, clumsy, many-headed beast and I think identity is something which is on the minds of many Europeans. Identity is on many people's minds and many people in fact believe that this Community has caused us to lose our identity. Mr President, there are many of us who are looking forward expectantly to the coming six months.

President. — I call Mr Kappos.

Mr Kappos. — (GR) Mr President, the Council decisions and the statements of the new Presidency, in our estimation, not only fail to respond to the vital interests of the citizens of the Member States of the EEC, but will also bring them new burdens and new problems.

To begin with, we would like to point out that not all the matters which were discussed are covered in the statements — for example, there is no mention of the siting of Pershing and cruise missiles — and as a result things can get much worse.

Beyond this, Mr President, we wish to point out that, whereas the question of the increase in the already high United States interest rates is mentioned, there is no mention of the other serious problems in EEC/USA relations, such as the widening imbalance in trade, textiles dumping and restrictions on the imports of steel products to the USA. This has special significance, for it means that these questions will not be discussed even at the forthcoming Ottawa Conference.

Moreover, there is no mention of Turkey. There is no mention of the cruel and gross violation of the rights of the people and political forces of Northern Ireland. The statements in favour of renewal, European identity and the European idea are good, but something positive must also be done to protect the rights of the people of Northern Ireland, which is in effect under occupation.

Today we pay tribute to the fifth hero of the people of Northern Ireland, whose death has just been announced.

But, apart from that, on the questions of unemployment, the high cost of living and the economic crisis, which have been discussed, no substantive decisions have been taken, and no concrete proposals have been made. The relevant statements amount in practice to a monument to absurdity!

On the other hand, there was a clear statement in favour of restructuring the budget, which means restriction of social expenditure, restriction of expenditure on agriculture, and hence new burdens for the European peoples to bear.

Moreover, on questions of peace and détente, we find, in your speech, substantial support for the plans of the adventurist USA leadership to plunge the human race back into the Cold War.

Thus the Soviet Union's peace proposals for a freeze on armaments and the opening of negotiations on arms reduction were not even mentioned.

On a series of other questions on which there were concrete proposals, namely the Middle East, Afghanistan and Kampuchea, the real interests of the peoples of those States and the wishes of their representatives are not taken into account. That means that these proposals are not realistic and that they have no chance of success. In essence, these proposals — as even the President of the Council indirectly admitted — tend to maintain tension, and lend support to the plans of the USA to transform the countries of those areas into gendarmes of American interests.

Kappos

It seems that the EEC leaders learnt no lessons from the mishaps which occurred with the embargo against the Soviet Union.

Thus, Mr President, it is clear that, at all events, the Luxembourg decisions and the statements of the new Presidency do not correspond to the vital interests of the peoples of Europe.

President. — I call the Council.

Lord Carrington, *President-in-Office of the Council of Ministers.* — Mr President, I have listened to most of the speeches which have been made here this afternoon. Although I was unavoidably absent for about twenty minutes, I was told what was said by my colleague, Mr Hurd. Of course, there have been so many different points made that I think it would be very difficult indeed to sum up by taking every point made and answering it. However, I can assure the honourable Members who have made points which I shall not answer that I have listened very carefully to what they have said and have taken note of their points of view. I am particularly grateful for the many expressions of good wishes which honourable Members have given to me for the period of office of the British Presidency. I value them very much. I particularly value the kind words of Mrs Castle, who, I imagine, was so frightened that I would pay her a compliment that she did not feel it possible to stay to the end.

(Applause and loud laughter)

I think that broadly speaking, perhaps with the exception of the last speaker, there was a general feeling that the priorities which the British Presidency had suggested were the right ones, though there were some who thought the priorities might have been expressed rather differently or in a different order. I was particularly impressed by something that Mr Berkhouwer said. He said: 'What you have to do is to run the shop'. That seems to me to be exactly right. For six months we are in charge of the shop, and we have got to make the shop run intelligently and sensibly and well with the minimum amount of fuss and bother and to succeed in doing some of the things which all of us want to do but which we know are very difficult. I can assure him that insofar as we can — and I understand that we are usually called a nation of shopkeepers — we shall do what we can to run the shop well and make it a going concern as well.

(Laughter)

I suppose that most of the speakers have spoken in one form or another about unemployment and the lack of what they believe to be a Community strategy on inflation and unemployment. As a matter of fact, Mrs Castle did misquote me, and I would like it to go on

the record that there was, in fact, no difference between the text that was given out and what I said. However, all of us will agree, whatever party we belong to, that there is nothing crueller to those who are suffering than the twin evils of inflation and unemployment. Nothing is more damaging to the Community than to suggest that the solution lies in some kind of blueprint, some master plan for action which is going to solve all the problems. The truth is that that is not going to happen. There is no such blueprint and there can be no such master plan.

The basic solution differs widely from country to country. After all, if you look at inflation in the Community, the spread is from 5% to well over 20%. Budget deficit as a percentage of the GDP is very small in France. It is very big in Britain and Ireland and in some other countries. Elsewhere there are balance of payments surpluses, while in other countries, such as Germany, there are huge deficits. I do not believe that there is a single answer. Let us have a concerted policy but not one policy. We will never create lasting employment, as was said earlier on, if we sacrifice our competitiveness. So I think it must be for national governments to judge the exact mixture of their policies. Of course, the Community has a crucial part to play through its own funds in the regional and social policies, in the way that it handles steel and textiles and through the increasing coordination which is necessary.

May I just say one word about the relations between Parliament and the Council? Pragmatism, I am happy to say, was commended by a number of speakers. We believe in that. Even so, we are taking steps first of all to give the Committee on Budgets a better hearing before the Budget Council, secondly to ensure that parliamentary resolutions are more fully considered in the Council's decision-making process and thirdly to begin a dialogue between the Foreign Ministers and senior officials of Parliament in November. I have proposed today that the ten Foreign Ministers should come here in November and have a dialogue with the senior officials.

(Applause from the European Democratic Group)

Incidentally I agree up to a point with what Sir James Scott-Hopkins said about majority voting. When matters affecting very important interests of Member States arise, it is true, of course, that we continue the discussion until agreement is reached. To do otherwise would be to risk tearing the Community apart. However, I do not think that that excludes majority votes where the Treaty provides for them and no very important national interest is at stake. After all, majority votes take place on budgetary matters all the time. We shall look at this in a pragmatic way, but let us not place too much hope in majority voting. The Treaty limits its use to a relatively small number of questions, and perhaps on occasion they are very important to the countries concerned.

Carrington

I am grateful for the assurances of support from so many honourable Members in the House for the efforts we intend to make and will continue to make on political cooperation. I was gratified, if I may say so, to have the support of the representative of the Italian Communist Party for the proposal of the European Council on Afghanistan. As regards the improvement of political cooperation, we will press ahead with our ideas. There are different ideas abroad, and what we shall do is to receive a report from the political directors early in September. At the informal meeting of Foreign Ministers at the beginning of September in Britain we shall take the process a little further, and I hope we shall achieve some progress during our presidency. The report by Lady Elles provides some very valuable suggestions. I am grateful to Mr de Lipkowski for reminding me of these.

Lastly, as time is running out, I might touch on one aspect, which was referred to by two or three honourable Members directly or by implication, of the meeting which I held with the Foreign Ministers of France and the Federal Republic of Germany. I would ask honourable Members not to be too dogmatic or formulistic about this. My colleagues of the Ten and I see each other frequently in groups to which we all belong. However, speaking for myself and, I would judge, for my other colleagues, I have found it useful from time to time to meet this or that colleague to discuss particular matters. I do not find that very sinister. On the first day of my presidency I held a meeting in London with Mr Van der Klaauw. I held a meeting on Sunday with the French and German Foreign Ministers because we had certain interests in common. In particular, we are the three European members of the contact group on Namibia. I wanted to discuss that with them, and the state of our diaries led to a Sunday morning meeting immediately before Moscow. On the way back from Moscow I called at Rome to give an account of my talks to Mr Colombo, a colleague of long standing for whom I have the greatest respect. There were excellent functional reasons for all these meetings, as I have no doubt there will be for others which we may decide to hold during our presidency.

Mr President, I have not in any sense summed up in a way which covers the excellent debate that we have listened to. I could not do that in the time available, but I would once again reiterate my thanks for the kindness and good wishes which honourable Members have given me and assure them that during the British Presidency we shall do everything we can to further the cause of the Community.

(Applause)

President. — The debate will be resumed tomorrow.

President. — The next item is the second part of Question Time (Doc. 1-334/81).

We begin with the questions to the Council.

I call Question No 57, by Mr Fellermaier, for whom Mr Sieglerschmidt is deputizing (H-138/81):

Does the Council consider the recent statement by General Evren that no former Member of the Turkish Grand National Assembly may stand in future as a candidate for the Constitutional Assembly or Parliament to be compatible with a democratic system and how should the European Communities react to this?

Lord Carrington, *President-in-Office of the Council.* — The Council is not in the habit of commenting on statements made to the press by representatives of third countries. Furthermore, the Council has no information confirming the accuracy of these alleged statements by General Evren.

As far as the Council's position on Turkey is concerned, I would remind you that the Council is keeping a particularly careful watch on developments in Turkey, which has been associated with the Community for nearly twenty years. The statement adopted by the Member States' Foreign Ministers on 16 September 1980, in which they voiced their concern at developments in Turkey and made clear the spirit in which the Community would continue cooperation with Turkey, still stands in full. Recently at its meeting on 18 and 19 May 1981 the Council referred to that statement, expressing the hope that there would be an early return to democratic institutions and voicing its concern with regard to respect for human rights in Turkey.

Mr Sieglerschmidt. — *(DE)* Mr President of the Council, might I first of all point out that this statement by General Evren appeared in Turkish newspapers so we can assume that it was accurately reported. May I also ask whether you are aware that he has since gone still further and this ban now applies to all members of former political parties in Turkey. If what I have just pointed out is true, would you agree that this would also be an important factor affecting our decision regarding the fourth Financial Protocol between Turkey and the European Community?

President. — Ladies and gentlemen, may I ask you, in everyone's interests, really to put only brief supplementary questions.

Lord Carrington. — Perhaps I could repeat that I don't think it is the custom, nor do I think it would be a correct custom, for the Council to comment on statements made in the press or to the press. I have made it clear that all of us hope very much for the

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restoration of democracy in Turkey. There have been statements to the effect that that will take place. Of course, anything which is relevant to any further decisions that the Community will have to take in reference to Turkey will be taken into consideration.

Mr Kappos. — (GR) Mr President, I should like to repeat a question which I have also put to the Commission, i.e. what attitude does the Council intend to adopt regarding the implementation of the resolution of the European Parliament of 10 April which provided for the breaking off of relations unless the democratic freedoms and rights of the Turkish people were restored within two months. My second question is as follows: can the President-in-Office comment on the fact that the Greek Government has handed over to the Evren regime three or four Turkish democrats who had taken refuge in Greece and were seeking political assylum?

Lord Carrington. — Perhaps I could remind the honourable Member of what the Foreign Ministers of the Nine said on 16 September 1980:

The Foreign Ministers of the Nine exchanged views on events in Turkey. They noted with concern the development of the situation in that country. They took note of the assurances given by the military authorities regarding a swift return to democratic institutions, respect for human rights and guarantees as to the treatment of political figures. They sincerely hope that these undertakings will be met in full in the very near future. It is in this spirit that the Community will continue co-operation with Turkey.

I do not believe that the position has changed since that statement was issued.

Mr Johnson. — I think we must all be grateful that the President-in-Office of the Council has confirmed that the Council intends to continue to take a constructive view of the positive developments in Turkey. Since this question clearly relates to developments in the Middle East as a whole, could the President-in-Office give us a brief indication of his thinking as to the role the Community, and of course the Community institutions, may play in this search for peace in the Middle East?

(Laughter)

Lord Carrington. — That seems to go a good way beyond the scope of the question. It would, I think, entail rather a long speech from me upon the search for peace in the Middle East according to the principles of the Venice Declaration. Let me just say that we are studying the report made by Mr Van de Klaauw on his journeys both in the Middle East and to the United States and the suggestions he has put forward. My colleagues and I will also be discussing where we

should go from here, particularly in the light of the events in the past few weeks in the Middle East which, I suppose it would be no exaggeration to say, have not made our task any easier.

I think it would be too early to indicate at this juncture the direction in which we should move. Of one thing, however, I am certain. However difficult the task may be, it would be quite wrong for the Europeans to give up a search for a solution or the prospect of a solution which will bring an end to the conflict in the Middle East and to the Arab-Israel problem, because the seeds of disaster lie in that area and it is incumbent upon all of us to do what we can to find a solution.

Mr Van Minnen. — (NL) I wonder whether the Council under its new President is really wandering around with blinkers on and whether perhaps, if the Council has now wish to read the newspapers or to see or hear anything, the oppression in Turkey will have to be officially endorsed before the President of the Council notices it. It is now ten months since the regime seized power. The question I should like to ask is what steps, in the view of the President of the Council, are currently being taken in Turkey which would justify our continuing support.

Lord Carrington. — Perhaps it is as well to remember the situation which existed in Turkey at the time of the events to which the honourable Member draws attention. The Government of Turkey has cut the death rate in terrorist incidents from over 20 per day to less than one.

(Applause from the European Democratic Group.
Laughter on the left)

I think one should not overlook the restoration of law and order. On the political front we note with satisfaction that the first step in a return to democracy, a constituent assembly, is scheduled for this autumn. I believe that to be an encouraging step and we shall look at the matter in the light of what happens then.

Mr Berkhouwer. — Next question please!

President. — I still have ten supplementary questions down for this subject, which is obviously a matter of some concern to everyone in this House. I would urge everyone to deal with this subject calmly and without repeating themselves. On that condition, I should be glad to admit as many supplementary questions as possible. I call Mr Berkhouwer.

Mr Berkhouwer. — (NL) Mr President, you have the right to say 'that is enough'.

Mr Fellermaier. — (DE) Who is in the Chair?

Mr Berkhouwer. — (NL) I am simply offering the President some advice and I propose that we now decide to move on to the next question. I am trying to help the President.

President. — Mr Berkhouwer, I am naturally grateful for your advice — indeed, any poor President would be grateful for any advice he could get from such an experienced member of Parliament. I am just not going to follow your advice for the moment!

(Laughter)

We should bear in mind that this is a question involving human lives and we should not be too niggardly with the odd minute here or there. I would therefore repeat my request to put precise questions which will permit precise answers.

Mr De Goede. — (NL) Does the President of the Council not realize that Parliament was already familiar with the statement made by the Nine in September as regards Turkey when, on 10 April, it agreed that the Commission and Council should be requested to freeze the association agreement between the Community and Turkey unless civil rights and democratic government were restored within two months of 10 April? Can the President-in-Office comment on the threatened executions of further trade union members in Turkey and is he prepared to bring pressure to bear so that the death sentences may be repealed and no more death sentences pronounced, and so that the ratified European Treaty on the protection of human rights may be respected in Turkey too.

Lord Carrington. — The Turkish Government has publicly committed itself to respect human rights, and I think that we must watch carefully events in Turkey. I would suggest, however, on behalf of the Council of Ministers, that the time has not yet come to review any action which could be taken by way of a different course to that which we have already announced.

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

Mr Fergusson. — The Political Affairs Committee of this Parliament is, in fact, considering two reports by its own members on this particular matter which the debate now developing is going to prejudice. Could I move formally that we have a vote, if necessary, to move on to the next question?

(Cries of: Hear! Hear! No! No! Never!)

President. — I am perfectly aware that the Political Affairs Committee is dealing with this subject. If it becomes apparent that we are not getting anywhere, I will follow your advice and call the next question.

Mr Spicer. — Reverting to the original answer given by the President-in-Office, is he aware that a fact-finding group from this Parliament went to Turkey less than a month ago and that we were assured at that time by the Prime Minister and other senior Ministers that this blanket debarring of all politicians was an initial emergency measure and that it would be reviewed by the constitutional assembly which is now being set up and will commence its work in September?

Lord Carrington. — I am ashamed to confess that I was not aware of that but now I am, and I am most grateful.

(Laughter)

Mr Israel. — (FR) On Monday I asked the Commission whether the Council and the Foreign Ministers meeting in political cooperation were *au fait* with the Turkish question and Mr Thorn replied that as far as he knew the Council had not dealt with it recently. Is this true?

Lord Carrington. — I understand that the Council will probably discuss the protocol next Monday, but there certainly has not been a discussion of it within the last few weeks, so far as I am aware.

Mr Marshall. — Would the President-in-Office of the Council confirm that Turkey plays a central role in the defence of the West by NATO and that, whatever its short-term difficulties may be, it is a valiant and welcome ally of ours in Europe.

(Cries and loud laughter from the left)

Lord Carrington. — Yes.

Mr Schinzel. — (DE) Is it not true to say that it puts the European Community in a very dubious light, to say the least, if, faced with the fact that no moves towards democracy have been made in Turkey and that torture, terror and murder continue to be official political weapons, the Council of Ministers nevertheless merely expresses its concern but otherwise does nothing?

Lord Carrington. — Mr President, as I have now said a number of times, the Council has made its position

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on Turkey perfectly clear and, as I have also said, the Turkish Government has publically committed itself to restoring democracy as soon as possible. As a first step a constituent assembly is going to be set up in the autumn. I think we had better wait and see what happens.

(Applause from certain quarters of the European Democratic Group)

President. — I call Mr Walter.

Mr Walter. — *(DE)* Mr President, the fact that the President-in-Office of the Council would appear to be ignorant of the deplorable events taking place in Turkey forms no basis for a dialogue in this Parliament. I shall therefore refrain from putting my question.

(Laughter)

Mr Fellermaier. — *(DE)* Mr President of the Council, if I am putting a supplementary question in spite of your manifest ignorance on this subject, I am doing so in order to give you an opportunity of stating whether or not you feel the time has come for you to recommend to the Council of Ministers only to sign the fourth Financial Protocol provided that a specific date is indicated for the return of a freely elected parliament representing the people of Turkey.

Mrs Lizin. — *(FR)* The President of the Council has mentioned the torture and inhuman treatment which are a feature of the Turkish regime. Belgian lawyers have returned from that country and drawn up a dramatic report on the subject with which the President of the Council is not, I am sure, familiar. I will therefore not go into it. He mentioned autumn. I should be grateful if he would simply tell me what precisely he means by 'restoring democracy as soon as possible' and what measures he intends to take after autumn when, as we already know and contrary to our hopes, this return to democracy will not have taken place.

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

Mr Boyes. — Mr President, I established more than a year ago the principle that the President-in-Office of either the Commission or the Council of Ministers must answer each question as it is asked, because the objective of Question Time is that if, for example, Mr Fellermaier did not get a satisfactory answer to his question, then Mrs Lizin could have further developed the question again. The second problem is that if you are going to take four questions together, we have a precedent from the last President-in-Office who said

'I have no answer' and he could sit down. Could the noble Lord Carrington not also say 'I have no answer' to four questions? I suggest that you carry out the correct procedure and get the President to answer each question in turn.

President. — It is true that the correct procedure would be to call all the questions listed since those Members who have put questions on different subjects also have the right to an answer. In this case, however, I could not have admitted all the supplementary questions and I therefore made an exception in view of the importance of this subject.

Mrs Baduel Glorioso. — *(FR)* Mr President of the Council, can we hope that, on the basis of the British democratic tradition, either democracy will be restored in Turkey between now and the end of your term of office, or that you, the British Government, will do all you can to ensure that all relations with Turkey will be suspended while a military dictatorship is in power?

Lord Carrington. — With regard to the last question, and indeed with regard to the last but one, I think that we ought to wait and see what happens in Turkey in the autumn when the pledge about the constituent assembly is due to be implemented. I think that to prejudge the issue now or to say what you would do in certain circumstances is neither a very wise nor a very fruitful way of conducting Community business.

As regards the first question that was asked of me, I understand there is going to be a debate on this matter tomorrow and I understand also it will be on the agenda of the Council, probably next Monday, when we shall no doubt take into account the views expressed in this House this afternoon.

President. — I call Mr Chambeiron.

Mr Chambeiron. — *(FR)* Mr President, on behalf of the Communist and Allies Group and in accordance with Rule 45 of the Rules of Procedure, I should like to request that a debate on the problem of Turkey be held immediately following Question Time. You yourself clearly felt this was an important question since you permitted several Members to speak and, I think, quite rightly. I will say right away that I would have liked to have been able to take advantage, of a similar attitude on the part of the person in the Chair last Monday who, unfortunately appeared to be hard of hearing in his left ear and at the same time to have some difficulty in looking in our direction. I see, however, that you look both ways and I should like to thank you for giving me the floor.

Chambeiron

I should simply like to remind this House on one thing, since the replies given to us last Monday by Mr Thorn on behalf of the Commission and today by Lord Carrington on behalf of the Council were misleading. Listening to the President-in-Office of the Council, it would even seem that the Ten's position is even worse than I thought. The military dictatorship has been defended on the grounds that the death rate in terrorist incidents has dropped from 20 to one. When we consider that those responsible for these deaths are the very people who are in power at the moment...

Mr Spicer. — Point of order! Point of order!

Mr Chambeiron. — *(FR)* ... I am entitled to three minutes and I will use them make no mistake about that. Mr President, would you do something to quiet this gentlemen who sounds to me as though he should see a psychiatrist.

(Laughter)

I should simply like to remind you that last April the European Parliament called for the association agreement between the Community and Turkey to be suspended unless the democratic institutions were re-established within two months. Mr Thorn, however, said the day before yesterday that 'the day we break off relations we will no longer be in a position to bring pressure to bear on the Turkish authorities' and the President of the Council tells us that the government has undertaken to respect and re-establish democracy.

I should simply like to point out that it was announced in the press yesterday that 52 persons are threatened with serious penalties, including the death penalty, for having been involved in trade union activities which are part of everyone's normal rights in any democratic country. I would say, therefore, that we cannot go on accepting this silence which is tantamount to complicity with the Turkish authorities. We must have the courage to break off relations with the Turkish authorities. This is the point I wanted to make.

(Protests from the European Democratic Group)

No, I have the right to speak. I will make use of this right and I will not let the British Conservatives stop me.

President. — Mr Chambeiron, you have requested a topical debate under Rule 45 of the Rules of Procedure. A decision on this request will be taken at the end of Question Time in accordance with Rule 45 (3).

I call Sir James Scott-Hopkins on a point of order.

Sir James Scott-Hopkins. — Mr President, it is not in the rules that honourable Members have three minutes speaking time during Question Time to put their questions. They do not. Members should put their questions, as you have said, in the shortest possible time, so that the maximum number of questions can be put. But you too have a responsibility to cut supplementary questions short.

(Applause)

President. — I have already called several times on Members to be brief.

I call Question No 58, by Mrs Hammerich (H-155/81):

Does the Council consider that the European Parliament is within its rights in assuming a greater degree of influence and authority without any legal basis other than a change in its own Rules of Procedure?

In Rules 32, 35, 36, 37 and 39 of its new Rules of Procedure, the European Parliament goes beyond its right to be consulted and to deliver an Opinion on future Community legislation by claiming the right to enter into negotiations with the Council and the Commission and exerting pressure on the Commission to comply with Parliament's instructions by threatening to delay considerations of its proposals.

Lord Carrington, President-in-Office of the Council. — Article 142 of the EEC Treaty stipulates that the Assembly shall adopt its Rules of Procedure, acting by a majority of its Members. In adopting their respective Rules of Procedure, the European Parliament, the Council and the Commission are bound to act within the limits of the powers conferred upon them by the Treaties. Only a treaty amending the Treaties establishing the ECSC, the EEC and the EAEC could alter the allocations of such powers.

Mrs Hammerich. — *(DA)* Has the statement you have just made been discussed in the Council and has the Council expressed any reservations regarding Parliament's Rules of Procedure?

Lord Carrington. — So far as I know, there are no resolutions. Each part of the Community obviously has to act according to the law and according to the Treaties.

Mr Kirk. — *(DA)* Does the President-in-Office of the Council agree that Parliament and its Rules of Procedure constitute a very important instrument for guaranteeing representative democracy in Europe and that those people who attack the existence of the European Parliament and the European Community are in fact attacking democracy in Western Europe?

Lord Carrington. — I thought today that I had gone out of my way to say that I thought that the relations between Parliament and the Council should be more friendly and productive, and I hope that these rules and any other action that either of us take will lead to that.

Mr van Aerssen. — *(DE)* Does the President-in-Office of the Council share the view that the direct elections to the European Parliament marked the beginning of a dynamic process in the further development of democratic principles and will he accept the thanks of a Member of this Parliament for the fact that the Council will appear here to answer our questions immediately after its important meetings?

Lord Carrington. — In a sense the best answer to that question is my presence here this evening.

Mr Bonde. — *(DA)* I should like to ask the President of the Council whether he is aware that Mr Kirk has compatriots who are not represented in all the Committees in this Parliament and whether the President of the Council will consequently accept resolutions which, under the Treaties, should be made by this Assembly, if they are only made by a Committee, and whether resolutions passed by this Parliament according to the new Rules of Procedure will be regarded as valid?

Lord Carrington. — I think he would be on very dangerous ground if the President-in-Office of the Council came in front of this House and made any suggestions about how it should conduct its own business. I cannot believe that I would leave with applause ringing in my ears or the goodwill of many Members.

(Laughter)

Mr Patterson. — Mr President, after what occurred on the first question, perhaps we should be grateful for some advice from the President-in-Office as to how we should conduct our business.

(Laughter)

Nevertheless would he accept that, following the ruling of the European Court of Justice in the isoglucose case, the opinion of Parliament is not just a desirable but a necessary part of the legislative processes in the Community. And would he therefore confirm that enabling Parliament to enter into negotiations with the Council and the Commission is not only in accordance with the Treaties and the joint declarations of the institutions but also plain common sense?

Lord Carrington. — As I understand it — and the lawyers have looked very carefully at this — the Council sees no incompatibility between the new Rules and the Treaties. I think that if in the implementation of the Rules problems were to arise, obviously both of us would have to consider the situation.

(Applause from certain quarters of the European Democratic Group)

Mr Enright. — Does the President-in-Office not agree that, in spite of all the legalistic and theological arguments that have been going on, in matters such as the seat of the Parliament, Parliament must make its own decisions and not — like Mr Klepsch and Mr Bangemann yesterday — hide behind the skirts of the Council of Ministers? Will he therefore assure us that the Council of Ministers will give a decision on the seat of the Parliament during the British presidency?

Mr Berkhouwer. — Mr Bangemann was not here yesterday, because he was ill. Manners!

Lord Carrington. — Mr President, I think that the honourable Member is mistaken in thinking this is a matter for the Council of Ministers. This in point of fact is a matter for the representatives of the Member States, and the representatives of the Member States made a ruling on their part of the matter at the Maastricht European Council. I think that the best thing I can say to the honourable Member is that, in the light of the resolution passed yesterday by Parliament, it will be the job of the Council and others to look carefully at it and see where we stand.

(Laughter)

Mr Harris. — To revert to the original question, does the President-in-Office agree that antimarketeers like the original questioner cannot have it both ways? They cannot on the one hand sneer that this Parliament is powerless and yet on the other complain when this Parliament finds proper and effective ways of pressing its own views.

(Laughter and applause)

Lord Carrington. — Alas, Mr President, in a long political career I find nobody can have it both ways.

(Loud laughter)

Mr Skovmand. — *(DA)* What will the President of the Council do if the Parliament makes use of Rule 35 in order to delay a Commission proposal so long as to make it impossible for it to be implemented, i.e. so that it is impossible to observe the deadlines set by the Council.

Lord Carrington. — I understand, Mr President, that the Court has given guidelines as to what action should be taken in that event, and obviously we would take that into account.

Mr Bøgh. — (DA) Under Rule 53(6) amendments may be put to the vote without being printed and without being distributed in all the official languages. I should be pleased if you could tell me what view the Council takes of this disregard for the various national languages?

Lord Carrington. — I must confess, Mr President, that I am getting into deep water because my knowledge of all these Rules is obviously a great deal less than the knowledge of those who are asking the questions, but I am informed that opinions are given in all the languages of the Community and there is no problem.

Mr Sieglerschmidt. — (DE) Mr President, are you aware of any case in the history of the British or any other parliament in which Members complained that the parliament was trying to gain more influence and powers?

(Laughter)

Lord Carrington. — Mr President, I am a Member of one of the two Houses of the British Parliament which does the reverse. It is perpetually being deprived of such powers as it has. I have no doubt that the equivalent is true in other countries and that there are other Chambers which are asking for more.

(Loud laughter)

President. — I call Question No 59, by Mr Petersen (H-166/81):

The Community has a clear-cut objective when it comes to oil dependence — to reduce it to 40% by 1990. It has also set itself the objective of generating 70 to 75% of its electricity from coal or nuclear energy by 1990.

In the case of renewable energy, however, no such concrete — and therefore binding — objectives exist, merely emphasis of 'the need to prepare for the future beyond 1990 by actively developing renewable energy sources'.¹

Will the Council of Energy Ministers as soon as possible set a specific objective that reflects the political resolve to develop these new forms of energy properly through adequate investments? They not only create jobs and lead to foreign exchange savings, they are also environ-

mentally 'sound'. I suggest that renewable energy should cover 5% of the Community's total energy requirements by 1990 and 15% by the year 2000.

Lord Carrington, President-in-Office of the Council. — The Commissioner has not submitted to the Council any proposals setting a specific objective for renewable energy for 1990. However, following the exchange of views held by the Council on 3 March 1981 on the Commission's first report, analyzing the progress made in pursuing the Community's energy policy objectives for 1990 and in Member States' investment programmes, the President-in-Office of the Council said in his conclusions that the Council had emphasized the need to prepare for the future beyond 1990 by actively developing renewable energy sources.

Mr Petersen. — (DA) It was precisely this objective which I felt to be totally inadequate. Does the Council realize that the renewable energy sources are already competitive if one considers them from the point of view of investment and assuming that oil prices will rise by 10 to 15% per year over the next ten years? And this, I might add, is a fairly conservative estimate. In Denmark, a solar collector, which could reduce the consumption of other forms of energy by 45%, costs 7 000 ECU, and with tax at 45%, which is a fairly common rate, would have paid for itself by the third year. With tax at 60%, it would even pay for itself in the first year.

I should therefore like to know whether the Council realizes that renewable energy has become the viable proposition. Renewable energy sources are competitive, so what does the Council intend to do about it?

Lord Carrington. — I am aware of that. I would just like to read to the honourable Member the last sentence of my reply which, I think, covers his point: the President-in-Office of the Council had emphasized the need to prepare for the future beyond 1990 by actively developing renewable energy sources. The Commission is currently conducting a sectoral analysis of Member States' energy investment programmes which will cover all aspects of energy and will include renewable energy sources. I think that that will bring out the relative significance of such sources in each Member State and make it easier for the Commission to propose their ideas.

Mr Seligman. — Is there not a danger that overoptimistic evaluation of the prospects of alternative renewable energy, as implied in this 15% target, is often used by the anti-nuclear lobby to counter the obvious case for nuclear energy as a replacement for oil?

Lord Carrington. — I do not think that I would like to enter into that argument, but I do not think that there

¹ 269th meeting of the Council — Energy — 3 March

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is any doubt whatever that all of us would agree on the need for investigation, research and development of renewable sources of energy.

Mr Galland. — (FR) Mr President, I should first of all like to protest strongly against the remarks made by Mr Enright five minutes ago in which he cast an unacceptable slur on the chairman of my Group, who is ill. I should like to repeat what Mr Berkhouwer said immediately following these remarks.

Mr President of the Council, continuing from what you said this morning and in the light of Mr Petersen's question, can you tell us how you view the need for a Community policy along the lines proposed by the vast majority in this Assembly? Do you think there is in fact such a need and do you intend to propose such a policy to the Council before the end of the year?

Lord Carrington. — On a number of occasions the European Council has discussed energy and the need for a European energy policy and, of course, the Energy Council is doing so at the present time. I do not think that I really could be more precise in my answer than that at the present time.

Mrs Lizin. — (FR) Since he has assured that he takes a positive attitude to a policy of this kind, could the President of the Council tell us whether he intends in good time, i.e. as soon as the preparatory talks begin, to oppose the reduction in the budget for this policy for which Mr Davignon is working.

Lord Carrington. — The Commission is an independent body. They make their own proposals. It is not for me to tell them what to do or what not to do.

(Laughter)

Mr Moreland. — As the President-in-Office of the Council will know, his colleague, the British Secretary of State for Energy, will be representing the Council at the United Nations Conference on new and renewable energies in Nairobi in August. Can he tell us if the Council proposes to take at that stage any new initiative in the field of alternative energies and can he assure us that his colleague will, at the same time, emphasize that as regards the Community, the main emphasis must still be on coal, conservation and nuclear energy?

Lord Carrington. — That obviously is one of the factors which have to be taken into consideration. With regard to the presence of my colleague in Nairobi, I am afraid that I could not answer without notice what the intentions are, but I will certainly draw what the honourable Member has said to his attention tomorrow when I see him.

Mr Linkohr. — (DE) Mr President, do you not think that following the updating of the energy programme in the Federal Republic and the expected changes in France, the energy objective for 1990 should be revised to include a larger proportion of renewable energy sources and less nuclear energy?

Lord Carrington. — I think that really is a matter for the Energy Council. After all, we have set up these councils, which are expert in these matters, for the purpose of discussing this with knowledge. I do not think that off the cuff, on an occasion like this, I would be prepared to say yes or no to that question, but I would certainly take note of it.

President. — I call Question No 60, by Mr Fergusson (H-172/81):

Which Troika meetings, if any, have taken place to prepare for the change of Presidency of the Council?

Lord Carrington, President-in-Office of the Council. — It is for the State whose presidency is drawing to a close and the State whose presidency is about to begin to organize their collaboration in the manner they consider most appropriate. Any meetings held in this connection are of an informal nature and consequently no record of them is kept.

Mr Fergusson. — If, as I suspect, that answer perhaps conceals that there may have been less useful contact than might have been desirable or possible, may I ask, without implying any criticism of anybody, whether the British Presidency, from its experience, has learned anything about how the torch might be better handed on next time, ensuring that neither fumble nor stumble nor hiccup intervene to spoil this process.

Lord Carrington. — I deny the implication of that question most vehemently. There has been a very smooth handover from the Dutch Presidency and, indeed, for some time now we have had some of our people in Holland and now there are some Netherlands officials in London to ensure the smooth handover. As a matter of interest the drafting of some of these answers has been done by our Dutch colleagues because of the continuity, so there has been a very smooth handover. I think perhaps the honourable Member is thinking more of the handover in political cooperation than in the Council. After all, in the Council we have a secretariat, which is invaluable in ensuring continuity. But, of course, this is not so in political cooperation and consequently there it is more difficult. One of the proposals which I made in a speech in Hamburg some time ago was that we should have a small body of men who would provide the continuity for such a handover, and I hope that that idea may, perhaps, find favour with some of my colleagues later on this year.

Mr Berkhouwer. (NL) — I should like to unhitch myself from Mr Fergusson's Troika but, thinking back on the Lord Carrington's casual meetings in London before his trip to Moscow and in Rome afterwards, I should nevertheless like to put a political question. Can we be certain that the British Presidency is opposed to any idea of establishing any sort of directorate or triumvirate within the Nine or Ten?

Lord Carrington. — I can give that assurance in an unqualified way. I can think of nothing more calculated to disrupt political cooperation in Europe than anything of that kind and it certainly would not be the intention of the British to do anything of that sort.

Mr Bonde. (DA) — Mr President, before any of the more important decisions are made at summits or elsewhere, it has become customary in Community cooperation for the Foreign Ministers and other representatives of the bigger countries to meet and prepare decisions which the others are then allowed to confirm. I should like to ask whether the British Presidency intends to discontinue this practice and, if not, whether the rest of us could at least receive tape transcripts of the proceedings so that we from the smaller countries can at least get some idea of what is going on when the decisions are reached at summits or elsewhere.

Lord Carrington. — I must confess that that has not been my experience of the Community. I do not recollect the British and the French and the Germans getting together to decide the British contribution. I found that that was a matter which had to be discussed amongst all the Nine and a matter in which every country was allowed to take part and, of course, should take part, and that is precisely how political cooperation as well as every other aspect of the Community must be made to work.

President. — Question No 61, by Miss De Valera, has been withdrawn.

Since their authors are not present, Question Nos 62 and 63 will receive written replies.¹

I call Question No 64, by Mrs Van den Heuvel, for whom Mr Van Minnen is deputizing (H-191/81):

Can the President-in-Office state how the Foreign Ministers reacted to the proposal he submitted at the informal meeting in Venlo for a meeting between the ten ministers and the political group chairmen of the European Parliament, with the aim of improving relations between the Council of Ministers and the European Parliament? When is any such meeting likely to take place?

Lord Carrington, President-in-Office of the Council. — I should like to begin by pointing out that the Venlo meeting was only informal and no formal decisions were taken. The question of relations between our two institutions was, however, raised at the European Council in Luxembourg, and we shall be continuing to consider the question of how to strengthen them. As I said earlier on in my summing up, with that in mind I am glad to be able to say that I have today proposed to the President that my colleagues on the Council should join us on the day of the traditional dinner given by the Presidency for the leaders of the Parliament. We have yet to work out the details, but my hope is that this will allow substantive discussion and be a useful contribution to strengthening relations between our two institutions.

Mr Van Minnen. (NL) — The answer given by the President-in-Office of the Council to the unexpectedly pointed question put by Mr Berkhouwer, to the effect that the little get-together of the Foreign Ministers of the Federal Republic, France and United Kingdom in London to discuss Afghanistan was in fact a mistake, led me to hope that he might be a little more direct in his answer to this question since it is obviously intended as an attempt to involve everyone in European consultation. Naturally, a meeting of this kind could practically take place tomorrow.

Is the Minister still in favour of this proposal which, after all, he himself made, and when is this meeting, i.e. the meeting between the ten Foreign Ministers and the political group chairmen of the European Parliament planned for.

Lord Carrington. — I very much hope that the proposals I have made to the President will be a useful beginning to a closer collaboration between the Council of Ministers and Parliament. It will be happening in November, and if there are any other productive ideas which honourable Members in the House have about how we can get closer together in a sensible and orderly way, I can assure the House that I will certainly look at them as President of the Council of Ministers.

Mrs Maij-Weggen. (NL) — Can the President-in-Office confirm a statement made by Mr Van der Klaauw in a Dutch newspaper to the effect that the French President had withdrawn his objection to the President of the European Council appearing in this Parliament and does this mean that we will be able to welcome Mrs Thatcher here in this Chamber following European Council in London?

Lord Carrington. — I think that was the situation, and I hope very much that Parliament will issue an invitation to my Prime Minister.

(Applause)

¹ See Annex of 8. 7. 1981.

President. — We proceed with the questions to the Foreign Ministers meeting in political cooperation.

I call Question No 91, by Mr Balfe (H-161/81):

Do the Foreign Ministers consider that violations of human rights

(a) within the EEC and

(b) outside the EEC

should be judged in the same way?

Lord Carrington, President-in-Office of the Foreign Ministers. — It has never been the opinion of the Ten that membership or non-membership of the European Community should be a factor in judging human rights.

Mr Balfe. — I would draw the attention of the President-in-Office to the fact that for many of us there does seem to have been difficulty in getting a full discussion of human rights in this Parliament, and I am sure he will accept that the fact that a court exists, for that specific purpose, the Court of Human Rights, no more removes the duty or wish of an assembly to discuss the matter than the fact that a court of law exists in London and a parliament also exists there. I hope that during the term of the British Presidency, without making any particular political point about the category of human rights, the Council of Ministers will give priority in its agenda to concern for all human rights of all individuals and enable these matters to be questioned from this Assembly, and I hope he will feel able to give that assurance.

Lord Carrington. — As I said earlier, I do not think it would be for me to comment on your procedure or what debates you may decide to have in this House, but I can assure the honourable Member that the Council of Ministers agree wholeheartedly with what he has said. We take very seriously questions of human rights wherever they occur. We deplore violations of human rights, and we have made that known on a number of occasions at the United Nations and elsewhere.

Mr Kappos. — (GR) Mr President, I do not know whether it is the fault of the President of the Council or of the interpreter but I did not really understand the last answer. At any rate, it has been stated here, by the previous Presidency of course, that the Council does not concern itself with the violation of human rights within the EEC. The Presidency has just said that the Council is interested in the question of human rights and I should therefore like to ask him what sort of interest it shows in human rights in Northern Ireland and Greece.

Lord Carrington. — If the honourable Member does not understand my answer I am not at all sure I understand his question, (*Laughter*) because I had made it fairly plain, I thought, in my original answer, not that the Council was not concerned with human rights, but that it had never been the opinion of the Ten that membership or non-membership of the Community should be a factor in judging human rights, that human rights transcended the membership or non-membership of the Community. The Council has made that abundantly plain and takes very seriously the question of human rights.

Mr Israel. — (FR) It is part of the job of this Parliament to receive individual petitions and complaints from people in Europe or the world as a whole who feel that human rights are not being respected in their case. Do you, Mr President-in-Office, think that the international protection of human rights is really a matter which comes under political cooperation in Europe? If so, what do you intend to do to help this view gain currency to make it clearly known.

Lord Carrington. — I should have thought that a concern for human rights was the mark of a civilized man and that the Council of Ministers, however much you may disagree with some of their policies, were civilized men. We have made it plain over a period of years in the Community, in the Council and, I have no doubt, in this Parliament too, what we feel about the importance of human rights.

Lord Bethell. — I wonder whether the President-in-Office is aware that in the last few days the Bureau of this Parliament has decided that we should produce an annual report on human rights throughout the world and how they are violated in various countries. Would the President-in-Office be willing to cooperate with the Parliament in producing this report, and in particular would his representative be willing to attend meetings of the Working Party on human rights in order to produce this report?

Lord Carrington. — This is a new proposal. Perhaps the honourable Member would allow me to have a look at that and communicate with him.

Mr Denis. — (FR) If I have understood correctly the President-in-Office said that he is concerned about all violations of human rights wherever they take place. Is he aware that his political colleagues have a certain tendency to ban any discussion of human rights within the Community? How does he explain the fact that we have extreme difficulty in obtaining precise answers from the Council concerning questions of violations of human rights in the Member States of the Community, for example, Northern Ireland and Greece?

Lord Carrington. — If the honourable Member has any particular case which he would like to bring to my attention, I should be happy to write to him about it.

Mr van Aerssen. — (DE) Is the President-in-Office prepared, together with several members of the European Parliament, to bring about a substantial and tangible improvement in the work of the UN Sub-Committee on Human Rights, for example, by means of more frequent meetings, speeding up the procedures or the independence of its members, so that the concern expressed so emphatically by the President-in-Office yesterday can also make itself felt at the level of the United Nations.

Lord Carrington. — Perhaps again I could have a look at that, but, as I understand it, the UN Committee is independent. I am not entirely sure quite what the honourable Member is hoping to achieve, but perhaps we might have a look at it.

Lady Elles. — Since all Member States are high contracting parties to the European Convention on Human Rights, would it not be better to encourage those countries, particularly France, which up to now have not had the right of individual petition to the European Court, to ensure, now that the party of Mr Denis is in office, that they do have that right as in all the other countries of the Community?

Lord Carrington. — The honourable Member will recollect that I speak for the Ten and not for Britain; and speaking for the Ten, I do not think that is a proper question for me to answer.

(Laughter)

Mr Israel. — (FR) Mr President, I should like to correct a point just made by Lady Elles, who, for once, has made a mistake. The French Government has just granted French citizens the right of individual petition as provided for in Article 25 of the European Convention on Human Rights. Thus, individual petitions are now legal in France. In spite of the fact that it will henceforth consist of Mr Denis' friends, the government has nevertheless taken this decision.

(Laughter from the Communist and Allies Group)

President. — I call Question No 92, by Mr Fergusson (H-171/81):

What steps has the former President-in-Office of the Foreign Ministers taken to ensure the maximum continuity of policy and operational smoothness between his own presidency and the next in respect of European political cooperation?

Lord Carrington, President-in-Office of the Foreign Ministers. — I would like to draw the honourable Member's attention to the fact that the existing rule of consensus by definition ensures maximum continuity of policy within the framework of European political cooperation. As to the operational smoothness between the two presidencies, close contacts and the practice of consulting each other at various working levels have proved to be effective tools for smoothing the transition from one presidency to the other. The practice of seconding officers from one presidency to the other during a certain period at the end and the beginning of the two presidencies is one of the ways in which the operational continuity is further ensured, as is the use of a troika of representatives from the preceding, current and future presidencies in certain dealings with third countries.

Mr Fergusson. — I think that this question follows on neatly from the one that the President answered a few minutes ago for me. Could he say whether the kind of small secretarial organization for political cooperation of which he spoke in Hamburg would have been helpful, for example, in handling the important initiative on Afghanistan which straddled the two presidencies, and could he say in what ways it would have made things easier?

Lord Carrington. — I think I must make it clear that when I talk of a small secretariat I am very anxious indeed to avoid any kind of a bureaucracy or making our political cooperation too stylized. What I have in mind — and I speak for myself, not my colleagues — is perhaps three or four officials seconded from foreign ministries in Europe, not even one per country, but just three or four who would provide the continuity which would make the handover between one presidency and another that much easier.

As regards Afghanistan, this would probably have made things a little easier, but it so happened that the Netherlands presidency and ourselves were in the very closest touch, and I do not think that there was any lack of consultation or lack of continuity as a result of it. But certainly when the Soviet Union invaded Afghanistan — because it did happen at a very awkward period of time for both presidencies, and no blame to either of them — I think that there would have been advantage in having a small body of men who did have the knowledge and the continuity which at that time would have been useful to both presidencies.

Mr Prag. — Would the President-in-Office not agree that it would make for more continuity and coordination and smoother operation, and indeed generally make for more sense, if political cooperation were brought into the Community framework, which would of course not prevent the retention of the rule of unanimity for decisions?

Lord Carrington. — I confess that I am not entirely sure about whether or not that would be an advantage or a disadvantage. On balance, I think it probably would be a slight disadvantage. But I think that there is something to be said for making it abundantly plain that the countries of the Community are interested in political cooperation and not just in economic affairs. I would have thought that we have gone a long way down that road, but it may be that some declaration or other may be necessary to make it plain that that is the job of the Community as well as worrying about economic affairs.

Mr Robert Jackson. — Is the President-in-Office aware that some of the early crucial stages of the European initiative in the Middle East, specifically in Amman, the capital of Jordan, were handled by a Palestinian Arab acting as consul for the Netherlands Government representing the Luxembourg presidency? Would he not agree that it would be desirable to try to have a more elaborate apparatus so as to avoid this sort of situation occurring in the future, and would it not be necessary to have rather more personnel involved therefore in the operation of political cooperation than he envisages in his earlier answer to an earlier supplementary?

Lord Carrington. — No, I do not really think I agree with that. I think that the dangers of formalizing and of having too big a bureaucracy will undermine the whole European approach, which I would have thought over these last years had been a success story. I think what we should seek to do is to eradicate the weaknesses which we have pinpointed, but to eradicate them with big overkill, in the form of formalization on the sort of scale which I think the honourable Member has in mind, would in my judgment be an error. I am quite sure that the person in question in Amman made a very good job of it.

(Laughter)

I think that it was an isolated instance. On the whole I think it has gone pretty well and the Community throughout the world has acted through its representatives with great skill.

Mr van Aerssen. — *(DE)* After quite rightly reaffirming the principle of continuity in Political Cooperation, can the President-in-Office explicitly assure us once again that questions of security and defense will also be covered?

Lord Carrington. — We must be quite clear what we mean by security, and how we differentiate between security and defence. It would be, I think, a very great mistake for the Community to concern itself with matters of defence. The proper forum for that is

NATO. The danger, if we concern ourselves in matters of defence, is that there would be so to speak, a club within a club. It would make it that much more embarrassing because there is one member of the Community which is not a member of NATO, and consequently there would be quite a considerable amount of difficulty for the Irish in accepting any such proposal. On the other hand, I do think that there are matters of security which it is legitimate and desirable for the Community in political cooperation to discuss. One of them, for example, was the French proposal for CDE, the disarmament conference in Madrid. I think there was advantage there in the Community discussing that proposal and deciding what its approach should be. Even so, it was NATO in the end which had to decide on the formal position of NATO and Western Europe. So I think that there are aspects of security which we should discuss. They should be narrowly defined and we should think very carefully before we trespass into the areas of defence.

Mrs Baduel Glorioso. — *(FR)* For once, I am very pleased at Lord Carrington's answer. However, is he certain that all the Members of this Parliament know that this is the attitude of the British Government on this matter?

Lord Carrington. — Well, if they did not, then they do now.

(Loud laughter)

President. — I call Question No 93, by Mr Vandemeulebroucke (H-205/81):

The Foreign Affairs ministers of various Member States have repeatedly informed their respective parliaments that a joint European approach is called for on the problem of arms sales.

What is the Foreign Minister's attitude in this matter?

Lord Carrington, President-in-Office of the Foreign Ministers. — I would like to refer the honourable Member to the answer given by the Ten not long ago to Question No 2098/80 by Mr Vergeer. Since then no changes can be noted.

Mr Vandemeulebroucke. — *(NL)* In answer to the question by Mr Balfe, the President-in-Office has just stated that he regards violation of human rights as a serious matter regardless of where in the world it takes place. Can the President of the Council tell me therefore to what extent the Council regards the ever-increasing trade in arms on the part of the Member States as compatible with the common wish of the European Community to defend human rights in the world?

Lord Carrington. — As I implied in the original answer, there is no Community policy and I think that we have to accept the fact, whether we like it or not. It is not at the moment possible to get a common policy on arms sales. If I may speak for my own country, we in Britain refuse to supply arms to countries with bad records on human rights and where in our judgment the arms are likely to be used for internal repression.

Mr Van Minnen. — (NL) We learned a few minutes ago that Lord Carrington does not read any newspapers and I assume therefore that he does not even look at *The Times*. It is hardly likely, therefore, that he might be alarmed at, for example, the report of the sale by Belgium of 90 mm canons and tank turrets to Uruguay. I should be grateful whether you could tell me whether the Council has precise figures concerning the volume of trade in arms of which the Community is guilty and whether it will provide the Political Affairs Committee with these figures.

Lord Carrington. — I think that there are plenty of published figures available and I am quite sure the honourable Member would have no difficulty in getting hold of them.

Mr Boyes. — Mr President, before I come to my question I must say that I regret that so few questions have been answered this afternoon and I mean no disrespect here to the noble lord. It has undoubtedly been caused by the large and disproportionate number of supplementaries from the usually almost empty Tory benches opposite who, like little boys and girls, are showing off in front of their new headmaster.

(Protests from the European Democratic Group)

Undoubtedly, Lord Carrington, arms originating from EEC countries . . .

(Several cries of 'A question!' from Mr Blumenfeld)

Shut up!

. . . are being used for the murder of coloured people by the South African Government in its determination to protect its reactionary anti-democratic policy of apartheid. In view of your answer to the original questioner, Mr Vandemeulebroucke, would you assure this House that, whilst there is no common policy, you will be discouraging any Member State from selling arms to South Africa?

Lord Carrington. — I am surprised that the honourable Member does not know that there is a UN arms embargo and it is not permitted for countries to sell arms to South Africa. I am quite sure that none of the Ten do.

(Applause from the European Democratic Group)

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

Mr Blumenfeld. — (DE) Mr President, I merely wanted to ask whether in your view it is customary for a Member of Parliament to tell another to 'shut up'?

(Laughter)

President. — I did not hear anything of the kind, otherwise I would have reprimanded the Member in question.

Mr Sieglerschmidt. — (DE) A few years ago, in the old Parliament, the Foreign Ministers agreed, in connection with an oral question with debate tabled by my Group, that in principle it would be desirable to make arms sales to third countries subject to certain common rules and consultation procedures but that it was difficult to arrive at such rules.

What steps have the Foreign Ministers taken in the meantime and with what results, and do you not think it would be possible at least to draw up some sort of code of practice for arms sales to third countries, particularly the developing countries?

Lord Carrington. — The only proposal that I know of from anybody was a proposal which was made by Mr Genscher at the UN General Assembly in September 1980 when he proposed an international register of arms sales. So far as I know, nothing further has happened about that. I think that whatever we may think about the desirability of a common policy in the Community, the reality shows that we are not at the moment likely to get one.

Mr Schall. — (DE) Mr President of the Council, do you agree that there is a possibility — indeed that there is even evidence to this effect already — that Europe may come to have security interests in areas outside that covered by NATO which should quite legitimately be discussed within the context of European Political Cooperation without this resulting in conflict or competition with NATO.

Lord Carrington. — In so far of course as NATO is concerned, the area of NATO is geographically contained and although NATO obviously has interests in the world outside that area since we are all interdependent now in the world, however far away we may be, there is no question of the extension of NATO. I would not have thought myself that the Community had a role to play in that kind of association. The Community has a role to play surely in the sort of proposals it can make to resolve crises or to prevent them happening. I hope that as the years go on we may find it possible for us to take an increasingly

Carrington

important part in seeking to help to resolve some of the problems which face us outside the European area.

Mr van Aerssen. — (DE) The President-in-Office will no doubt be pleased to hear that some time ago 60 Members of this Parliament issued the request of which Mr Sieglerschmidt has just reminded us, i.e. that a code of practice or guidelines for arms sales by the European Community should be drawn up.

Is the President-in-Office prepared to assure us once more that, in spite of the difficulties which he has quite rightly described, we should concentrate all our efforts on drawing up a code of this kind in the near future, based on the principles of impartiality, stabilization of political relations, and balance, so that a halt may finally be called to this hateful competition between the national governments for similar arms deals?

Lord Carrington. — I think that such a policy would be all right as far as it went, but I really do not think that it would have much of an effect in global terms, unless one took into account the policies both of the Soviet Union and of the United States. I do not believe that in isolation Europe really can solve the problem. I also think that one has got in the same breath to consider the other side of the coin which is the arms limitations talks. I myself believe that, as of now, a step forward in the arms limitations talks — we know that TNF is going to be discussed before the end of the year. We hope that something will come out of Madrid. These, it seems to me, are lines which we should pursue, because arms limitation is just as important as — indeed it is a part of — arms sales.

Mr Blaney. — Might I ask whether or not this joint European approach will be applied if, in the near future, a proposal is made to supply arms to equip Mr Paisley's new army in Ireland?

(Loud laughter)

Lord Carrington. — I was at some pains to point out that there was no joint approach.

(Laughter)

Mr Paisley. — Are you aware that the speaker who asked that question could give us all knowledge about how to get arms?

(Loud laughter — Applause from the European Democratic Group)

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

Mrs Ewing. — Mr President, could I ask the indulgence of yourself and perhaps Lord Carrington and the House? My question was next and it was already held over from the last time. It is important, and I know there are Members in the House who have been waiting for it. If everyone is agreeable, could we not take my question now because it was already held over?

(Applause from various quarters)

President. — Agreed, but without supplementary questions.

I call Question No 94, by Mrs Ewing (H-236/81):

In view of the protests by the Israeli Government at the recent visit paid by the President-in-Office of the Foreign Ministers to Mr Yasser Arafat, what useful purpose did this visit serve; what views did Mr Arafat express on the options put to him for an Arab-Israeli settlement; and did he, in particular, indicate any intention of renouncing both clauses in the PLO Charter which imply the destruction of Israel as a State?

Lord Carrington, President-in-Office of the Foreign Ministers. — On 2 December 1980 the European Council charged the President-in-Office with undertaking new contacts with the parties concerned in the Middle East conflict. That is why the Dutch President-in-Office held meetings with various Arab leaders, including the chairman of the PLO, Mr Yasser Arafat, as part of the search for a peace settlement in the Middle East. The Dutch President-in-Office reported on his mission to the European Council on 29/30 June in Luxembourg. This report remains confidential to the governments of the Ten. The Council noted that the report concluded that efforts by the Ten to promote conclusion of a peaceful settlement should be continued energetically and without respite, taking account of the results of the missions decided upon at Venice. The Ten continue to believe that the principles of the Venice Declaration, which is to say the right of existence and security for all the States in the region, including Israel, and justice for all the peoples, which implies the right of the Palestinian people to self-determination must be respected by all the parties concerned and thus by the Palestinian people and by the PLO, which will have to be associated with the negotiations.

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

Sir James Scott-Hopkins. — Mr President, I do not quite understand the procedure you have adopted in allowing Mrs Ewing to put that question. I did not interrupt until the President-in-Office had given the answer, but I would ask you now to ask the Bureau at its next meeting whether or not the Chair should act in

Scott-Hopkins

the way you have just done. If that is permitted, there is nothing to stop other honourable Members asking for their questions to be put and for them to get an oral answer. I do not think that we can really go along this path too far, Mr President. As I said, I did not want to interrupt before the answer was given in this particular case, but it is setting a precedent and I think we want to be very careful in this House when we set precedents. I suggest that in this particular case you should take this question to the Bureau at its next meeting and discuss it.

On a further point of order: we have had an incredibly small number of questions asked through no fault of the President-in-Office and mainly, I must confess, not through the fault of the questioners who were reasonably quick apart from one honourable gentleman over there on the Communist benches. But it really is the duty of the Chair not to allow everybody who puts his name down for a supplementary to be allowed to put it. If this happens we could end up spending all the time on one question if everybody put their name down. I do not ask you to take a decision now, but would you take that question to the Bureau for a decision as to how this matter should be regulated before the next Question Time in September? You and the Bureau have quite a long time to consider this matter before the September meeting.

President. — I think the way I have been running Question Time has enabled us to get much further than if I had just decided differently.

There remains the request by Mr Chambeiron for a topical debate following Question Time. According to Rule 45(1) and (2) of the Rules of Procedure this would be possible. However, Rule 45(3) states:

The decision as to whether to hold a debate on request shall be taken by the President only at the close of Question Time and shall not be subject to debate.

Not least with this possibility in mind, I admitted a very large number of supplementary questions. Secondly, the Political Affairs Committee is currently discussing the Turkish problem. We have sent a delegation to Turkey and drawn up a report which the Political Affairs Committee will discuss in due course. Subsequently, we will be able to discuss the results of the Political Affairs Committee in the plenary assembly.

In addition, group meetings are planned from 7.00 p.m. onwards and I have therefore decided to reject the request for a topical debate.

I call Mr Van Minnen on a point of order.

Mr Van Minnen. — (NL) Mr President, I merely wanted to say that up to now I have been very satisfied with the way you have chaired our meetings and your

approach to supplementary questions. However, I cannot accept your last decision since by disallowing supplementary questions you reduced this question by Mrs Ewing which deals with such an important subject, to a little tête-à-tête between the questioner, the President and the representatives of the Council. I should like to ask you at least to bring this aspect up for discussion in the Bureau since, in my view, this is in conflict with the Rules of Procedure.

President. — I will be glad to do so.

I call Mrs Ewing.

Mrs Ewing. — Perhaps I misheard you, but I really did understand you to agree to my question being taken, there being no others, and other people here seem to think that that was what was said. However, can I just correct Sir James on the question of the precedent? This action by me was following a precedent created when one of the Conservatives did this on a very similar situation and when no objections were made by Sir James or the Chair, and when the question was allowed for similar reasons to those for which I put mine forward. So really it ill befits Sir James, who spoke so long that Lord Carrington left, to make this objection. I am perfectly certain that Lord Carrington would have been willing, had it not been for that intervention by Sir James, to answer my supplementary. So we have really had a question with no-one able to put a supplementary to it.

(Applause from certain quarters of the Group of European Progressive Democrats)

President. — The second part of Question Time is closed.¹

8. *Setting up of a Committee of inquiry*

Mr Johnson. — Mr President, I served with pleasure on the first Committee on Women's Rights.

I thought we had dealt with the matter, not once and for all but — how shall I say — for a while. Under what rule is this new proposal being made which, honestly, we on this side of the House have not heard of before, and how can we stop it?

(Loud laughter from the European Democratic Group)

Is this a proposal under Rule 91, Mr President?

¹ See Annex.

ANNEX

Questions which could not be answered during Question Time, with written answers

I. Questions to the Commission

13. Question by Mr Berkhouwer (H-239/81)

Subject: Financing the Channel Tunnel

What is the Commission's view of the proposal to finance, with the aid of Arab capital, a combined bridge-tunnel across the Channel with concessionary arrangements for a period of 40 years?

Answer

The construction of a fixed cross-Channel link has formed the subject of various proposals by private concerns who have carried out studies into the feasibility and profitability of such a link. These proposals include one for a combined bridge-tunnel.

However, it is not for the Commission to comment on a proposal which still remains imprecise as regards the methods of financing and the details of which have not been notified to the Commission in accordance with Article 2 of the Decision of 20 February 1978.¹

The Commission can only refer to the results of an in-depth study carried out at its instigation into the Community interest of various possible forms which such a fixed link could take. These results were discussed in the Committee on Transport with an eye to the drawing up of the De Keersmaeker report and the resolution on a Channel Tunnel.

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14. Question by Mr Kirk (H-21/81)

Subject: Work on harmonization of rules on the design and road use of caravans

In consequence of the increasing traffic and trade in caravans between the Member States, the need for uniform rules governing, for example, their width, maximum speeds, registration and connections to gas cylinders and electricity has become increasingly apparent. What is being done to bring about harmonization in this field?

Answer

Of the sixty or so directives adopted by the Council and Commission with a view to harmonizing the legislation or regulations in the various Member States as regards motor vehicles several also apply to caravans, which are included under the provisions regarding trailers.

For example, there are the directives regarding brakes and lights, to name but two of the most important aspects of road safety.

However, the Commission does not feel that systematic harmonization of all the technical requirements is necessary. It draws up priorities in this field, taking account of the obstacles to trade resulting from the national provisions. As regards the aspects mentioned by the honourable Member (i.e. speed, width, connections to gas cylinders, etc.), no requests have been made to the Commission either by industrial organizations or the government of any Member State.

The relevant departments of the Commission will take up contact with the various governmental and private experts with a view to ascertaining whether Commission action is called for in this field.

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¹ Decision 78/174/EEC of 20 February 1978, OJ L 54 of 25 February 1978.

15. *Question by Mr Hord (H-133/81, ex O-7/82)*

Subject: CAP frauds

It is reported that in southern Italy arrests and charges have been made regarding claims for subsidies for tomatoes that were never grown.

It is further understood that a substantial number of frauds have occurred at the border between Eire and Northern Ireland on livestock transactions.

1. What action is the Commission taking in regard to such frauds under CAP?
2. What was the total amount lost to the Community where fraud cases have been detected?
3. Is the Commission planning to make the governments of the Member States involved responsible for the loss of revenue to the Community budget?

Answer

In the two cases of suspected fraud mentioned by the honourable Member, the governments involved — i.e. those of Italy, Eire and the United Kingdom — gave the Commission their full cooperation in its efforts to put a stop to these practices.

The amounts lost to the Community in these two cases have often been exaggerated in the press. According to the most recent financial report available, the frauds affecting the Guarantee Section of the EAGGF involved only 2 million ECU in 1979, of which 1 million has already been recovered.

As was stipulated as long ago as 1970 in the basic regulation, it is for the Member State responsible for the losses resulting from irregularities or negligence, to reimburse them.

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16. *Question by Mr Calvez (H-80/81)*

Subject: Introduction of compensatory duties on steel imported into the Federal Republic of Germany

Does not the Commission think that the introduction of compensatory duties on steel imported into the Federal Republic of Germany, as called for by West German steel makers, would run counter to the fundamental principles of the common market in steel, which, under the terms of Article 4 of the Treaty, prohibit import duties, or equivalent measures, in trade between countries in the ECSC?

Does not the Commission think, furthermore, that such a measure would cause difficulties for the ECSC, as it would trigger off a chain reaction of similar demands from the other European countries?

Answer

1. The Commission would recall that no government could take measures of this kind unless authorized to do so by the Commission.
2. Whatever reasons might be put forward for the introduction of measures of this kind, the Commission feels that they would have considerable consequences on the free movement of goods within the Community.

It shares the honourable Member's concern regarding the possible chain reaction of similar measures which this could trigger off.

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18. *Question by Mr Galland (H-140/81)*

Subject: Threat to butter supplied for European biscuit manufacturers

With reference to Article 39 (d) of the Treaty of Rome assuring the availability of agricultural supplies, is the Commission aware of the difficulty European biscuit manufacturers, especially those in France, are having in finding butter at a reduced price because of the EEC's sales to third countries and, if so, are any measures contemplated for quickly replenishing stocks?

Answer

The current low level of stocks of butter in intervention within the Community means that a very close eye must be kept on sales of this butter at reduced prices to biscuit manufacturers and for other uses.

The Commission recognizes the importance of this market and we have already sold some 43 000 t butter to the baking industry this year. In addition, the Council has adopted a regulation providing for the granting of direct subsidies for the purchase of butter and butter oil purchased by the baking industry on the free market. These subsidies will be available as from the beginning of August.

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19. *Question by Mr Kappos (H-142/81)*

Subject: Information on the views of Greek officials

With reference to Document No 3845 of 2 August 1977, can some explanation be given concerning the statements made by Commission authorities that information on the views of Greek officials of the EEC is not being sought?

Answer

The document to which the honourable Member refers is not a Commission document but rather, according to the information available to the Commission, an internal memorandum originating from the Greek delegation to the European Communities. This memorandum concerns the procedures applied in the departments of the Commission to check the information provided by applicants for posts within these departments. These procedures are applied across the board regardless of the post in question or the Member State of which the candidate is a national.

The aim of these precautions is to guarantee the recruitment of high-quality officials. Article 28 of the Regulations and Rules applicable to officials and other servants of the European Communities contains provisions similar to those applied by the national administrations of the Member States in stipulating that an applicant must enjoy the full rights of a citizen of the Member State of which he is a national, must have fulfilled any obligations imposed on him by the laws concerning military service and must produce appropriate character references — i.e. he must not be guilty of any serious criminal offence.

The honourable Member will understand that in the interests of respect for personal privacy, the Commission must verify the information given by officials in their personal file with the greatest discretion and circumspection. It can only confirm that these verifications, which in principle are carried out through official channels which provide a full guarantee of discretion — although the case in point would appear to have been something of an exception in this respect for reasons completely outside the control of the departments of the Commission — are exclusively of an objective nature such as, for example, the production of a police record, and that only the Commission should have access to information obtained in this way.

I would remind the honourable Member that the confidentiality of each official's personal file is protected by the provisions of Article 26 of the Staff Regulations and that these files may under no circumstances contain references to the political, philosophical or religious views of the official.

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20. *Question by Mrs Scrivener (H-147/18)*

Subject: Approximation of laws on the labelling of foodstuffs

The 1978 Community directive on the approximation of laws of Member States on the labelling of foodstuffs presents a first step towards the improvement of consumer protection in the EEC.

Does the Commission intend to update the list of products figuring in the 1978 directive?

Answer

1. The directive referred to in the Question basically applies to all foodstuffs which are not destined for further processing or preparation.
2. For practical reasons, however, foodstuffs for which Community rules regarding labelling or packaging already existed were provisionally excluded from the sphere of application of the directive by virtue of Article 20.
3. It is the Commission's intention to extend the sphere of application of Directive 79/112/EEC to cover those areas still outstanding.

An initial step in this direction is currently being made by extending the directive to cover fruit juices and similar products, with, incidentally, the approval of the European Parliament.

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22. *Question by Mr von Wogau (H-183/81)*

Subject: Rules of origin

In its resolution of 12 April 1978,¹ the European Parliament called on the Commission to draw up proposals for standardizing and simplifying the rules governing the origin of goods. In the report² underlying Parliament's resolution, the Committee on Economic and Monetary Affairs stressed the acute need for rules of origin to be simplified and outlined a number of principles which could be applied.

1. Does the Commission feel that the additional cost to the economy of complying with the rules of origin, which are particularly complicated, is commensurate with the savings in duty thus achieved?
2. What wishes have been expressed by EFTA regarding simplification of the rules?
3. How does the Commission rate its chances of obtaining Council approval for a simplification of the system?
4. When does the Commission intend to submit concrete proposals?

Answer

The Commission shares the view expressed by the European Parliament in its resolution of 12 April 1976 to the effect that the rules of origin must be simplified with a view to being able to make the greatest possible use of the EEC-EFTA Free Trade Agreement. Since 1969, this has been one of the priorities in the Commission's annual programme for the customs union.

On 11 January 1979, the Commission submitted to the Council two related proposals with a view to achieving this simplification. These proposals concerned on the one hand the rules for 'cumulation' and, on the other, an alternative percentage rule of origin for machines, devices, mechanical equipment and electrical goods.

These proposals, which are in accordance with the wishes of this Parliament, represent a considerable simplification and at the same time ensure that the general economic effects of the existing regu-

¹ OJ C 108 of 8 May 1978.

² Doc. 557/77, in particular, para. 4.8.7 of the explanatory note.

lations are maintained. The proposals have been discussed in detail in the individual Council bodies and it is to be hoped that the Council will be able to decide on them in the near future.

The EFTA States had already proposed that the cumulation system should be simplified, that a standard alternative percentage rule should be introduced for all goods excluding textiles, and that the certificates issued by the customs authorities should be replaced by declarations by the exporter on the invoices.

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23. *Question by Mr Boyes (H-190/81)*

Subject: Illiteracy

Does the Commission intend to formulate proposals to the Member States concerning a plan of action against illiteracy (ten-year plan) and could the Commission specify the role played by the European Social Fund in this area?

Answer

1. The need to improve basic continuing education, including literacy, numeracy and basic social skills, will feature prominently in the communication which the Commission is currently preparing for submission to the Council. In elaborating this programme, the Commission will pay special attention to the needs of certain particularly vulnerable groups who tend to suffer from several disadvantages, such as *young people* who lack the basic skills needed to benefit from initial vocational training, *migrant women* who have only a fragmentary knowledge of the language of the host country and the *adult population in economically disadvantaged areas*. In this way, the Commission intends to contribute progressively to the elimination of illiteracy in the Member States. It does not at this stage however intend to present a comprehensive ten-year plan in this field.

2. Furthermore, the Commission will be presenting to the Council in the near future its report concerning the fight against poverty. The problem of illiteracy will be one of the issues singled out for special consideration in the context of further anti-poverty actions.

3. So far as the present contribution played by the European Social Fund in this area is concerned, there is provision under the Fund for assistance to language courses for migrant workers and their families. These sometimes include literacy training. As regards other areas of intervention by the fund, literacy training may be eligible for assistance when it forms an integral part of a basic preparatory training course leading to employment or vocational training.

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24. *Question by Mr Curry (H-223/81)*

Subject: State aids to agriculture

Why does DG VI consider it necessary to have its own department considering violation of competition rules through State aids to agriculture; how many staff does this part of DG VI have and does the Commission consider it adequate and what is the average time between the beginning of an investigation and the Commission exhausting the legal possibilities open to it?

Answer

In accordance with Article 42 of the Treaty, the competition rules in the agricultural sector are applied within the context of the common agricultural policy. It is only natural, therefore, that State aids to agriculture should be subject to the surveillance of a department of the Directorate-General on Agriculture. The department in question consists of seven A-grade officials (including the Head of Department) and one B-grade official. In the light of previous decisions by the Court, the Commission has fixed a deadline of two months for the examination of State aid projects. Generally speaking, this deadline is adhered to.

In its report on the Mandate of 30 May 1980, the Commission recommended a tightening-up with regard to State aids in the agricultural sector.

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25. *Question by Mr Battersby (H-229/81)*

Subject: The Community's relations with the People's Republic of China

Can the Commission advise the European Parliament of the results achieved during the EEC-China Business Week held in Brussels, in which over 300 Community firms and organizations participated, and of the action the Commission now intends to take to follow up the success of what was, from all reports, a highly significant event both for the Community and for the People's Republic of China?

Reply

1. The meetings which took place between the EEC Commission and the leader of the Chinese Delegation, Vice Premier Gu Mu, on the occasion of the EEC-China Business Week reaffirmed the Community's long-term interest in the development of its relations with China, despite short-term trade fluctuations. Mr Gu reiterated his government's support for a united and strong Europe and also emphasized that his country's 'open-door economic' policy would not change. He gave assurances that China was determined to honour its commitments and to find a mutually acceptable way to resolve the outstanding questions relating to contracts affected by readjustment policies.

2. Besides these exchanges at the highest official level, the Business Week provided the opportunity for some 800 European executives to meet with the largest Chinese economic delegation ever to have visited Europe. Apart from serving to clarify existing problems and needs amongst European businessmen already active in or wishing to enter into trade with China, the Business Week provided a forum for gaining a better acquaintance with China's top trade officials and the current policies of economic readjustment.

3. The Commission is exploring with the Chinese authorities a number of actions to be undertaken to follow up promising avenues opened during the Business Week. The details of these follow-up actions will be discussed at the occasion of the third EEC-China Joint Committee on Trade to be held in Beijing this November.

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26. *Question by Mr Früh (H-241/81)*

Subject: Community food aid to Poland

Does the Commission share the view of the chairman of the Committee on Agriculture of the German Bundestag, Dr Schmidt (Gellersen), that bureaucratic obstacles raised by the Community authorities are to blame for the delays in providing Community food aid for Poland, and, if not, what are the real reasons?

Answer

The requisite Community-level arrangements, including the publication of special invitations to tender or the introduction of special export refunds, were made by the Commission during the days immediately following the Council decision. The Commission is not aware of any operation involving any product being held up by obstacles at Community level. The Commission has maintained close contact with the Polish authorities throughout this period.

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27. *Question by Mr Schwencke (H-243/81)*

Subject: Diplomatic relations between Greece and Israel

What steps has the Commission taken, and with what results, to persuade Greece, now that it is a Member of the Community finally to establish full diplomatic relations with Israel?

Answer

In its answer to the oral question by Mr Schwarzenberg (H-85/81), the Commission confirmed that, by virtue of its accession to the Community, Greece would become party to the entire *acquis communautaire*, which includes the agreement between the Community and Israel.

Greece is party to the additional protocol negotiated with the State of Israel to take account of the accession of the Hellenic Republic. It is applying the provisional arrangements set up with regard to Israel pending the ratification of the additional protocol.

It was also pointed out in this answer that it was not for the Commission to decide what form diplomatic relations between Member States and third countries should take.

The Commission has nothing to add to this answer to Mr Schwartzberg's question.

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28. *Question by Mr Van Miert (H-244/81)*

Subject: Fixed book prices

Is the Commission prepared to conduct an enquiry into the trend towards concentration and into the competitive situation in the book industry and to draw up the necessary proposals concerning book prices (these to cover the general application of recommended prices, the matter of unrestricted sales by the large distribution centres, transparency and fairness of stockpurchasing conditions applicable to the book trade and the system of subsidies) in order to ensure that, where books are concerned, the Community pursues a policy consonant with the special role of this instrument of education and culture?

Answer

1. Yes, as was said on the occasion of the debate on the Beumer report. The Commission has already had a number of enquiries conducted into trends towards concentration and the competitive situation in the book industry in various Member States. In addition, and on the Commission's initiative, an enquiry was carried out into trends towards press concentration in various Member States.

2. Using the budgetary resources available for 1981, studies were commissioned from specialized institutes on the competitive situation in the book industry in the English and French-language areas. Similar studies for the Dutch and German-language areas are planned for 1982.

3. As soon as the results of these studies are available, the Commission will publish the relevant conclusions in connection with various aspects of book distribution.

4. As regards the question of agreements on fixed book prices, the Commission is bound, by virtue of the judgment handed down by the Court of Justice, to assess the positive and negative results of this practice, which depend to a large extent on the nature and scope of the agreement in question as on well as the economic and legal context.

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30. *Question by Mr Marshall (H-252/81)*

Subject: The international implications of the US unitary tax system

What representations has the Commission made to the US Government about the implications of the US system of unitary taxation for international companies?

Answer

The Commission is active on the subject raised by the honourable Member. Together with the Italian Presidency it co-ordinated a common response from all Member States via their embassies in Washington. As a result a memorandum expressing concern about the implications for Community firms of the unitary tax system was sent to the United States Government (Department of State, Treasury and Congress) by the Italian Embassy to the United States in March 1980 on behalf of the governments of the nine Member States. The question was raised in Congressional hearings, but before any concrete progress could be made these were interrupted by the election. However there are good reasons to expect legislative steps in California to abolish unitary taxation, at least partially. It is too early to say what these legislative measures might involve or what the final outcome will be. The Commission will continue to follow all developments closely.

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31. *Question by Mr Vergeer (H-253/81)*

Subject: Resources earmarked in 1981 and 1982 to aid Namibian refugees

Following the visit by the United Nations Commissioner for Namibia to the EEC in February, can the Commission indicate the amount of the financial resources mobilized this year and earmarked for 1981 to aid Namibian refugees in the various frontline States and to provide support for the training of qualified young Namibians in exile?

Answer

During a visit to the Commission on 13 February 1981, the UN Commissioner for Namibia enquired about the possibility of emergency aid for Namibian refugees in Angola and Zambia. The Emergency Aid Service contacted the United Nations High Commission for Refugees (UNHCR), and was told that a Community contribution was not necessary because emergency needs were fully covered under the existing UNHCR programme. No formal request has been received since February.

However, the Commission has received a request from the governments of Zambia, Botswana and Zimbabwe for a contribution to a long-term training programme for Namibian students and refugees. The Commission has reacted favourably to this request and has proposed the allocation of 1 million ECU — to be taken from regional cooperation in the framework of the Lomé II Convention — to this programme; this will be the subject of a Commission decision, following EDF procedures, in July.

As far as food aid is concerned, the International Committee of the Red Cross has earmarked 2 000 tonnes of cereals, 200 tonnes of skimmed-milk powder and 100 tonnes of butteroil for the victims in southern Africa. Non-governmental organizations have earmarked 150 tonnes of skimmed-milk powder for the same purpose. Namibian refugees in Angola would normally benefit from some of this aid.

Unfortunately, this aid cannot be mobilized at present because of the difficulties in distribution in southern Angola caused by hostilities inspired by South African intervention.

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32. Question by Mr Damseaux (H-259/81)

Subject: Trade between the EEC and Japan

Given the seriousness of the economic situation in the Community, the almost 50% increase in the Community's trade deficit with Japan in the first four months of 1981 (3 600 million dollars) and the effect on the employment market of the USA/Japan agreement on car imports, how does the Commission view the prospects for self-restraint by Japan as regards its car exports to the EEC over the next two years?

Answer

Discussions were held on various occasions throughout the first half of this year between the Commission and the Japanese Government on the prospects for self-restraint by Japan as regards its car exports to the Community.

These discussions were continued recently on the occasion of the visit of the Japanese Prime Minister, Mr Suzuki, and the Foreign Trade Minister, Mr Tanaka, to Brussels on 15-17 June. In the course of these discussions, the Japanese side said that it realized that the European car industry had embarked on an extensive programme of modernization and change. Japanese car exports to the Community would adhere to certain limits in 1981. Exports to the Benelux countries and to the Federal Republic of Germany were being limited, and some Member States had in any case applied import restrictions. Moreover, the yen had risen in value against the European currencies. As a result, the agreement reached between Japan and the United States and Canada would not mean that any Japanese cars would be rerouted to the Community. An exchange of views between Japan and the Commission on the prospects for 1982 was agreed for the autumn.

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33. Question by Mr Gondicas (H-260/81)

Subject: Articles on Turkey in Euroforum

An article entitled '*Turkey begins to shape up on the horizon*' was published in Volume 4/80 (29. 2. 1980) of Euroforum. The following is a quotation from that article:

'Another uncertainty revolves around the impact of Turkey's involvement in the complicated political rivalries in the Eastern Mediterranean. These have surfaced in repeated clashes between Turkey and Greece, which is scheduled to enter the Community next year. These two neighbours have had running disputes over the island of Cyprus, their rights in the Aegean and over other islands in the Mediterranean.'

Euroforum refused to rectify the inaccuracies in the article and to publish a reply from a Greek citizen.

How does the Commission justify the fact that, while the EEC condemns the political situation in Turkey and has decided to take a series of measures, the official organ of the Commission praises the Turkish regime, and can the Commission state what measures it intends to take to ensure that these wilful inaccuracies are refuted?

Answer

1. The article to which the honourable Member is referring was published more than a year ago on 29 February 1980. In the article in question, Greece is mentioned once only in a paragraph in which the author simply refers to the long historic hostility between Turkey and Greece which was now centred on the problem of Cyprus, economic rights in the Aegean and other islands in the Mediterranean.

2. More than a year after publication of the said article in Euroforum, a Greek citizen asked the editors of Euroforum to publish an article written by him seeking to rectify what he saw as the inaccuracies contained in the article.

Quite apart from the time lag between publication on 29 February 1980 and receipt of the reader's letter, Euroforum — which now appears only in the form of an insert in the Commission's monthly information magazines — has never featured a section for readers' letters.

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34. *Question by Mr Bangemann (H-262/81)*

Subject: Conversion aids for the fishing sector in Spain

The limits placed on the number of licences granted to Spanish vessels to fish in the territorial waters of the Community has seriously upset the economy of certain Spanish regions where major infrastructures which had already been set up have been made redundant as a result of the restrictions. Does the Commission intend to provide special aid for these regions in the context of the regional development policy which the Community has devised in order to encourage the economic convergence of applicant countries? Does it, in particular, plan to employ the instruments designed to this effect by the European Investment Bank?

Answer

Traditionally Spanish fishing has always been — and very largely still is — dependent on extra-territorial waters. 30% of fishing went on in Spanish waters up to 1976, and this figure has now risen to 40% of total catches. Fishing in Community waters, which accounted for some 12% of all fishing activity in 1977, now accounts for 10% of the total.

The general extension of fishing zones by third countries up to 200 miles from their coasts, especially in the northern and north-western zones close to the African coasts is therefore the main source of the economic and social imbalance which certain regions of Spain are now experiencing.

The Community too has had to cope with the consequences of changes in the international fishing situation. In the light of the scarcity of exploitable resources, the Community has been induced to introduce conservation measures. The Community has concluded an outline agreement with Spain based on the reciprocity principle, the upshot of this being a gradual reduction in Spanish fishing facilities in Community waters in view of the very low level of catches by Community fishermen in Spanish waters. As a result of this agreement Spanish fishermen have, since 1978, been able to maintain a relatively high level of activity although strict application of the reciprocity rules would have led to a much greater reduction in Spanish fishing in Community waters.

Despite the internal difficulties caused by the inadequacy of its own resources, the Community has thus allowed Spain to obtain partial compensation for the fishing facilities it has lost in third countries' waters.

2. The Community's regional development policy will apply to Spain only after Spanish accession to the Community.

3. As regards the European Investment Bank and the financial instruments for which the EIB is responsible as mandated by the Commission, none of these instruments is in a position to accord non-refundable aid. Loans may be granted under certain special condition, but, by their very nature, these are not the kind of thing the honourable Member has in mind.

To enable a start to be made now on the process of economic convergence, the Community has decided to grant Spain access to EIB loans on conditions which have already been agreed with the Spanish authorities.

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35. *Question by Mr Delatte (H-263/81)*

Subject: Position adopted by the German Government on the common agricultural policy

In a letter to the Commission of the European Communities, the German Government has made what amounts to a call for the common agricultural policy to be dismantled, a call echoed widely in the press. Does the Commission not intend to react officially to this letter so that the European Parliament can learn its views on the almost total abolition of premiums and price guarantees and on the lowest production costs being taken into account for the purpose of fixing agricultural prices without reference to the difference inflation rates?

Answer

1. The letter from the Government of the Federal Republic of Germany which the honourable Member is referring to was addressed to the Commission in the context of preparatory work on the Mandate of 30 May 1980. What the letter amounted to was one Member State's preliminary views on one of the aspects covered by the Mandate, i.e. the common agricultural policy. As has already been said in reply to another parliamentary question on the same subject (No H-224/81 by Mr Diana), the Commission sees nothing abnormal as such in this kind of thing.

2. The Commission has responded unambiguously to this letter by its adoption, on 24 June 1981, of the report on the Mandate. (The report was communicated immediately to the European Parliament.) In this report, the Commission sets out its own views, in particular as regards the common agricultural policy. The Commission would therefore invite the honourable Member to refer to the report, in which he will see that the Commission's proposals certainly do not amount to a dismantling of the common agricultural policy. The Commission's views still centre on the three principles on which the common agricultural policy is based. In the present situation, the report on the Mandate is the best response the Commission can give to the views referred to by the honourable Member.

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36. *Question by Mr Irmer (H-265/81)*

Subject: Deposit on imports into Italy

Can the Commission confirm that the recent measures decided by the Italian Government to reduce the balance-of-payments deficit and to support the lira do not impede the proper functioning of the EEC and that indeed their application was in conformity with Community procedures? Is the Commission studying financial measures to help Italy to deal with this deficit?

Answer

As it informed the Italian Government immediately after the decision to introduce the compulsory deposit on the purchase of foreign currency, and as it stated at the Council of Finance Ministers of 15 June, the Commission feels that measures of this kind, taken by virtue of the safeguard clause contained in Article 109 of the EEC Treaty, do in fact cause a disturbance in the functioning of the common market. The Commission feels that at any rate the date 1 October, when these interim protective measures are to expire, should be regarded as a final deadline which should, if possible, be brought forward. Furthermore, it reserves the right to step in at any moment, in accordance with the provisions of the Treaty, to ensure that any changes deemed necessary as regards the field of application and duration of these measures may be made.

As regards the basic issue, and in view of the deliberations of the Monetary Committee on this question, the Commission has, in accordance with Article 108 (1) of the Treaty, carried out an in-depth study of the economic and financial situation in Italy. Following this study, the Commission sent, on 1 July, a recommendation to the Italian Government in which, whilst acknowledging the economic difficulties to which the Italian authorities had drawn attention, it stressed the underlying factors which, in the view of the Commission, were responsible for these difficulties and which it was vital to tackle seriously, and suggested a number of internal measures which it felt should be adopted immediately.

The text of this Recommendation has already been submitted to the European Parliament for information.

As regards the second question put by the honourable Member, the Commission is not studying any financial measures to help Italy to deal with its balance-of-payments deficit since there are already two Community instruments for this purpose, i.e. medium-term financial aid and the Community loan, the ceiling for which was incidentally increased to 6 000 million ECU at the beginning of this year.

Be that as it may, as far as the Commission knows, Italy has not expressed any intention of taking advantage of Community financing to deal with its balance-of-payments deficit.

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37. *Question by Mr Coutsocheras (H-267/81)*

Subject: Barring of Greek high-school leavers from French universities

The *numerus clausus* system operates in Greek universities, mainly because there are not enough university establishments to meet requirements and because university facilities in general are inadequate. These limitations oblige a number of high-school leavers to go to foreign universities to continue their studies. This is to the benefit of science, to the advantage of the country in which they are educated and to the advantage of the country in which they were born, while it also serves to improve relations between these countries.

However, during Mr Giscard d'Estaing's presidency a ministerial decree was issued to the effect that, as from the academic year 1981-1982 Greek students would not be admitted to French universities unless they were already students at Greek universities or high-school leavers who were fortunate enough to be among the restricted number of those accepted by Greek universities. In other words a worthless offer, since when a student secures a place in a university in his own country there is no point in his seeking to continue his studies abroad.

Is the Commission aware of the harmful effects that these anti-educational measures will have and what does it intend to do about them?

Answer

The Commission is aware that the measures by the French Government in the academic year 1981/82 may have implications for those Greek students who wish to study a subject which is not taught at Greek universities or for which insufficient places are available.

The Commission will take this matter up with the French authorities and draw attention to the agreement in principle reached at the meeting of the Council of Ministers of Education on 27 June 1980 to promote the mobility of students within the Community and to eliminate obstacles to their freedom of movement.

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38. *Question by Mr Cecovini (H-268/81)*

Subject: Indexation of salaries

Does not the Commission believe that one of the prerequisites for achieving the convergence of the economies of the ten member countries is parallelism in the national salary indexing systems and does it not feel that it would be appropriate to recommend a slowing-down in the rate of increase of the index in Belgium and Italy, in particular by excluding from the index the effects of oil price increases?

Answer

The Community at present is faced with a pressing need to reduce the degree of price and cost divergence. Moreover, in several Member States budget deficits and/or balance-of-payments disequilibria are of such a magnitude that strong policy measures are required to reduce the imbalances. In this context the Commission has on various occasions reviewed the mechanisms of income formation in the various Member States and, in particular, the systems of automatic indexation of incomes.

The fact that the scope for real income increases is determined not only by productivity increases but also by terms-of-trade developments and the need for adjustment of basic imbalances should be taken into account in all Member States without regard to the system of income formation in force. As stated in the Annual Economic Report 1980-1981, income formation should thus take place with 'sufficient flexibility to avoid passing on, into wages, unavoidable terms of trade loss, and to allow other necessary adjustments in income distribution or tax structure without causing extra inflation'.

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43. *Question by Mrs Le Roux (H-277/81)*

Subject: American attitude to the introduction of a Community import duty on certain oils and fats

Can the Commission confirm whether the American Secretary of State for Agriculture, Mr Block, opposed the introduction of a Community import duty on certain oils and fats during his visit to Brussels in May 1981? Has the Commission decided to resist this pressure and introduce this duty without delay?

Answer

The Commission can confirm that, during his visit to Brussels in May 1981, the American Secretary of Agriculture, Mr Block, expressed the preoccupation of his government regarding the possible introduction by the Community of a tax on certain oils and fats.

Regarding its own position in this matter, the Commission can refer to the declarations that it has made to the Parliament in previous months, together with the replies that it has given to questions on the same subject asked by honourable Members.

In these declarations and replies, the Commission has indicated that further reflections on this matter will take place in the period preceding the enlargement of the Community by the countries applying for membership and that the final decision will be taken in appropriate time.

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44. *Question by Mrs Poirier (H-279/81)*

Subject: Promotion of agricultural exports from the Community in connection with the worsening of the EEC's trade deficit with Japan

What measures does the Commission propose to take to counteract the worsening of the EEC's trade deficit with Japan, in particular by promoting agricultural exports to that country from the Community?

Answer

In spite of the fact that Community exports of agricultural products to Japan increased from USD 359 million in 1974 to USD 900 million in 1980, in its periodic meetings with representatives of the Japanese Government, the Commission has pressed and continues to press for better access to the Japanese market, particularly for processed agricultural products of Community origin.

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45. *Question by Mr Fernandez (H-280/81)*

Subject: Traditional markets of the Community in the Mediterranean countries during the United States embargo against the Soviet Union

Can the Commission confirm whether the United States has taken over some of the Community's traditional markets in the Mediterranean countries during the embargo? If this is the case, what action does the Commission plan to take in response?

Answer

According to the official statistics so far available EEC exports to important traditional clients such as Algeria, Tunisia, Morocco and Egypt went up in 1980 after the grain embargo decided in January 1980, compared to 1978 and 1979. On the other hand, there was no substantial increase in US exports to these countries in 1980 compared to 1979 and 1978. In the last weeks, American officials have declared their intention to increase their exports to these destinations.

The Commission believes that the export system for 81/82 (one tender with one refund for all destinations except South America and EEC-neighbouring countries) will ensure the continuity of our sales.

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47. *Question by Mr Veronesi (H-286/81)*

Subject: Belgian-Algerian gas supplies agreement

What is the Commission's view of the agreement drawn up between the Belgian and Algerian Governments on the supply of 5 000 million cubic litres of gas for 20 years as from October 1982? For the agreement contains a clause indexing the price of gas to that of a 'basket' of crude oils (which means a price of about USD 7 per million BTU for the first 3 years: USD 4.80 FOB + USD 1 for CIF and gasification + USD 1 to cover distribution and the effect of the oil price increase in the first quarter of 1981). Does not the price of USD 7, which is much higher than the price of various kinds of gas in Europe, imported or not, frustrate the common policy followed so far by Western buyers, and is it not moreover in clear contravention of the agreement reached by the Energy Ministers of the Ten last March in virtue of which indexation of the price of natural gas to oil prices was rejected?

Answer

On a number of occasions — not only in connection with the Belgian-Algerian agreement — the Commission has emphasized that natural gas must be sold in competition with other fuels on consumer markets and that it is therefore more realistic for the price of gas to remain in a sensible relation to the price of competing products if the position of gas *vis-à-vis* its competitors and in the context of the overall energy situation is to be maintained or improved.

However, the Commission is neither willing nor able to interfere in negotiations conducted by a gas-importing country on a commercial basis. Nonetheless, the Commission is at present endeavouring, together with the Member States, to formulate joint principles for the prices and the price-indexation of new gas supply agreements. These will enable the governments to give companies interested in importing natural gas clear guidelines on prices and indexation formulas.

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49. *Question by Mrs Schleicher (H-288/81)*

Subject: Activities of existing and proposed organ banks in the Member States

How many organ banks or distribution centres for donated organs exist in the Member States, and where are they located? Does the Commission have a general idea of which organs or tissues are distributed by or stored in these banks, the scale of this activity and the degree of wastage involved?

Answer

The Commission does not have the information requested by the honourable Parliamentarian.

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50. *Question by Mr Tyrrell (H-289/81)*

Subject: Redundancy payments for steel workers

Under the Community system of readaptation payments in the steel industry (Article 56 ECSC Treaty), will the Commission state which Member State it considers responsible for the employees of a multinational steel company with its head office in a Member State other than that in which the employee is made redundant?

Answer

The Member State responsible for the readaptation payments is the one on whose territory the employees concerned have been working or have been made redundant, regardless of the nationality of these employees or of the site of the head office.

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51. *Question by Mr Turner (H-290/81)*

Subject: Technical barrier to trade

Is the Commission aware that the German authorities propose to introduce a regulation limiting the transmutation of nitrosamines and nitro satable substances from certain articles, notably feeder teats and soothers made from plastics materials, with effect from 1 November 1981, although the proposal was only made on 3 December 1980 and is still subject to further modification before approval by the Bundestag, thus giving industry very little time to adjust production to take account of the requirements and that such a regulation, being unique to one Member State, will create another technical barrier to trade in the Community? What steps does the Commission intend taking so that this further technical barrier to trade is not created?

Answer

The Commission has not been informed by the authorities of the Federal Republic of Germany about the proposed regulation referred to by the honourable Parliamentarian. Nevertheless, the Commission would like to draw the attention of the honourable Parliamentarian to the fact that since 1972 it has been engaged in promoting Community legislation concerning materials and objects likely to come into contact with foodstuffs. A framework directive as well as a directive covering the use of vinyl chloride monomer has already been adopted. Other proposals are currently being discussed in the Council of Ministers. Among them is a proposal concerning the use of plastics in this context and it will be followed by proposals designed to achieve Community rules for the whole sector. This action will avoid the barriers to trade which the honourable Parliamentarian apprehends.

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52. *Question by Mr Bettiza (H-292/81)*

Subject: Transmission of programmes via satellite

Is the Commission aware of the Swiss project to place a series of geostationary satellites in orbit for the transmission of programmes in German, French and Italian and does it not feel that it would be

appropriate to encourage a similar project for the ten Member States which would make a substantial contribution to reinforcing the Community image both inside and outside the Community?

Answer

1. The Commission is aware of the fact that the Swiss authorities are examining the possibility of using a satellite for direct transmission of television programmes on a national basis.

This study follows the joint decision by France and Germany to equip themselves with prototype satellites for direct television broadcasting covering Switzerland.

2. As regards a European-level approach, it should be borne in mind that the ECS satellites which are to come into operation in 1983 are equipped with responders permitting the simultaneous transmission of television programmes to all the European transmitters which are party to the Eurovision agreement.

In addition, the European Broadcasting Union (EBU) is currently studying the possibility of regularly transmitting a single European programme by means of the next generation of direct broadcasting satellites, in particular the L-SAT, which the European Space Agency hopes to be able to develop.

3. As regards the programmes themselves, the honourable Member is no doubt aware of several discussions which are currently taking place within Parliament, particularly at the initiative of the EPP Group at the instigation of Professor Hahn, and within the Committee on Youth, Culture, Education, and Sport.

4. The Commission continues to keep a close eye on these developments, but it seems premature to decide on a course of action at this stage since the practical and political prerequisites are still lacking.

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53. *Question by Lord Douro (H-294/81)*

Subject: VAT on bloodstock

On 13 October 1980 the President of the Commission informed me in Parliament that the Commission was pressing the Irish authorities to review the arrangements for VAT on training services in the Republic. Will the Commission now state what is the current position both with the Irish authorities and the French authorities over the reduced rates of VAT authorities charged on bloodstock and training services in both countries?

Answer

Contacts with the Irish authorities are continuing with a view to finding a solution to the question of the application of VAT to services furnished by trainers of racehorses. It appears possible that as a result of these contacts this problem may soon be satisfactorily resolved without legal process. The Irish authorities have informed the Commission that a decision on such a solution will be forthcoming very shortly. In the absence of a favourable decision before the summer recess, the Commission will continue with an Article 169 procedure.

As the honourable Member knows, the French problem, which relates to the supply and import of horses of high value, is a different issue. An Article 169 procedure was opened with the despatch of a warning letter on 18 June 1980. Following reply in negative terms on 16 December 1980, the Commission sent a reasoned opinion on 21 April 1981, requiring compliance within two months. To date, no substantive reply has been received. The deadline having now elapsed, the Commission is considering bringing the case before the European Court.

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54. Question by Mrs Boot (H-296/81)

Subject: ERDF reform

Could the Commission explain why the presentation of a draft regulation on the reform of the European Regional Development Fund has been delayed? In view of the fact that the new regulation is supposed to enter into force on 1 January 1982, Parliament must again ask when this draft will finally be forthcoming.

Answer

1. As it explained during the European Parliament part-sessions of May and December 1980, the Commission considered that 1980 was not a suitable period for putting forward proposals on the re-examination of the Regulation on the European Regional Development Fund as provided for in Art. 22 of that Regulation.

In fact, since it would have come too soon after the first revision carried out in 1979,¹ any such new revision could not have been based on sufficiently long experience of, in particular, the most important innovation introduced into the Regulation, i.e. the specific Community regional development measures.

Furthermore, it would not have been possible to take account of the results of the first periodic report on the economic and social situation in the regions of the Community which the Commission was to draw up by the end of 1980 in accordance with the Council Resolution of 6 February 1979.¹

Lastly, it was intended that the revision of the ERDF Regulation should form part of the overall reappraisal of Community policies and the Community budget to be carried out in accordance with the European Council Mandate of 30 May 1980.

For all these reasons the Council, in adopting Regulation 3325/80,² to extend the time-limit for the revision of the Regulation from 1 January 1981 to 1 January 1982. Also, on 24 June 1981,³ the Commission adopted its report on the Mandate of 30 May 1980.

2. Consequently the Commission will be forwarding its proposals on the revision of the ERDF Regulation to the Council during the second half of 1981.

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55. Question by Mr Woltjer (H-298/81)

Subject: World market price of sugar

Having regard to the recent serious criticism expressed by the executive council of the International Sugar Organization, can the Commission indicate the present position of the negotiations regarding the promised accession of the EEC to the ISO, and can it also state to what extent it is able to respond to the above-mentioned criticism and help to ensure that the world market price of sugar is restored to a reasonable level?

Answer

The Commission sought a negotiating directive in July 1980 from the Council to permit negotiation of accession to the International Sugar Organization. The negotiating directives have not as yet been formulated. Examination of the question continues in Council working groups.

The Community has given a response in depth to international criticism of its export policies for sugar in the framework of the General Agreement on Tariffs and Trade (GATT). It is clear that the Community respects its international obligations.

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¹ OJ C 36 of 9. 2. 1979.

² OJ L 349 of 23. 12. 1980.

³ COM (81) 300 final.

56. *Question by Mr Griffiths (H-299/81)*

Subject: Migration policy

What standing, if any, does the paper 'Consultation on migration policies *vis-à-vis* third countries', published in 1978, now have with the Commission?

Answer

The Commission's Communication to the Council on consultation on migration policies *vis-à-vis* third countries was presented in March 1979. It constitutes a fundamental and important part of the Commission's action programme on behalf of migrant workers and members of their families.

The Member States took note of the Commission's Communication in the conclusions at their meeting of 22 November 1979, and confirmed the importance that they too attached to consultation on migration policies *vis-à-vis* third countries.

II. *Questions to the Council*

62. *Question by Mr Flanagan (H-187/81)*

Subject: Delay in implementing EMS Monetary Fund

Will the Council explain why the Heads of Government recently recommended the deferment of the implementation of the second stage of the European Monetary System?

Answer

The European Council of 1-2 December 1980 confirmed its determination to continue strengthening the European Monetary System until, in due course, it enters the institutional stage.

The European Council has requested the Commission and the Council of Ministers to continue their work to this end. The Council would confirm that this work is being expedited by the relevant bodies.

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63. *Question by Mr Lalor (H-188/81)*

Subject: Proposed Soviet gas pipeline to the West

According to recent press reports, the Soviet Union, with aid from the West, proposes to construct a USD 15 billion gas pipeline to Western Europe. It is stated that the deal represents the largest commercial transaction negotiated between the East and the West.

Have all the EEC Member States been consulted on this move and what are the commercial implications for the EEC Member States of this pipeline?

Answer

The question put by the honourable Member concerns the Member States and the matter has not been referred to the Council.

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70. *Question by Mrs Ewing (H-152/81)*

Subject: Fishery negotiations with third countries

Will the Foreign Ministers state what negotiations they are proposing to make with third countries on fishery agreements?

Answer

Framework agreements have been concluded with the USA, Faroe Islands, Norway, Spain, Senegal and Guinea Bissau, following largely favourable opinions given by the European Parliament. We are looking forward to receiving an opinion from you on Sweden in the near future.

A long-term agreement with Canada and a framework agreement with Finland are under consideration in the Council.¹

On Iceland an important fishing nation in the Atlantic, I am glad to say that this very day new negotiations are taking place in Reykjavik with a view to concluding an agreement. The Council has also established guidelines enabling the Commission to negotiate fisheries agreements with Mauritania, the Cape Verde Islands, Tunisia, the Seychelles and Mauritius.

Finally guidelines are under study in the Council with a view to concluding agreements with a number of other West African countries to regulate mainly the tuna fishing off the coast of West Africa. Countries likely to be involved in future are Guinea Conakry, Sierra Leone, Angola, Saõ Tomé and Príncipe and Equatorial Guinea.

Other negotiations were not crowned with success so that vessels from the USSR, the GDR and Poland had to leave the Community fisheries zone when negotiations broke down.

Though a short-term agreement with Canada existed for two years, the Council has not yet approved the initial long-term agreement which should have entered into force on 1 January 1981. Also an agreement with Finland was not approved by the Council.

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71. *Question by Mr Penders (H-193/81)*

Subject: Protection of private Community investments in developing countries

Is the Council prepared to consider measures to promote and protect private Community investments in developing countries insofar as such investments are acceptable in terms of the plans of the country concerned?

Answer

The Community has recently taken a series of initiatives to promote and protect private investments by Member States in developing countries:

- In the report in the Community's policy in the North-South Dialogue, approved by the European Council of 29 and 30 June 1981, the Community demonstrates its resolve to encourage any international initiatives whereby private funds would be mobilized for the benefit of the developing countries.
- Among the cooperation agreements with the developing countries, provisions relating to investments are already contained in the Second Lomé Convention and in the agreements with ASEAN, Brazil and India. In the framework of the Euro-Arab Dialogue a draft convention on the mutual promotion and protection of investments is under discussion.

¹ The inclusion of this sentence was requested by the British and Danish delegations. The German delegation objected to its inclusion.

In conclusion, the Council agreed, at its meeting on 22 June 1981, to provide that any Member State wishing to conclude an agreement to protect and promote investments in the context of Community provisions on relations with developing countries may communicate its intention to the other Member States. An exchange of views may then take place within the Council's subordinate bodies at the request of any Member State; but it should be remembered that the negotiation of investment promotion and protection agreements remains entirely a matter of national responsibility.

72. *Question by Mr Habsburg (H-195/81)*

Subject: Common fisheries policy

Would the Council now say what progress is expected towards the early establishment of a common fisheries policy, and what the issues are which stand in the way of an agreement?

Answer

The Council can assure the honourable Member that it will make every endeavour in the next few months to reach overall agreement on the common fisheries policy. However, it is impossible at this stage to prejudge the outcome of these new talks owing to the complex and controversial nature of the issues involved.

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75. *Question by Mr Kappos (H-232/81)*

Subject: Abolition of the system for the collection of sultanas and figs by cooperatives

There are reports that sultanas and figs are to be included under Regulation (EEC) No 516/77 and that the existing system for the collection of these products is to be abolished.

Is the Council aware that the cooperatives are insisting on remaining as agents for the collection of these products and are asking for financial assistance to ensure that the system of collection operates smoothly, and will it respect the wish of the cooperatives to retain the system of collection so that the producers are not exploited by exporters at whose hands they have suffered in the past?

Answer

Until entry into force of the relevant Community provisions, Greece has been authorized to maintain, in accordance with Article 70 of the Act of Accession, *inter alia* for figs and sultanas, those of the measures in force under the previous system which are strictly necessary in order to maintain the income of producers at its previous level.

When the overall decision on prices and related measures was adopted on 1 April 1981, the Council noted the Commission's commitment to submit its proposal on the matter at the earliest opportunity in order to enable the Council to act rapidly. Notice has been given that the proposal in question will shortly be available.

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76. *Question by Mr Van Miert (H-238/81)*

Subject: Results of the Jumbo Council

Is the Council entirely satisfied with the results of the Jumbo Council of Economic, Social and Financial Affairs Ministers held on 11 June and can it state what further action will be taken on the agreements reached on that occasion?

Answer

The Council meeting on 11 June of Ministers for Economic Affairs, Finance and Social Affairs was very useful, as it enabled certain guidelines with regard to economic and social policies to be drawn, on which the Community and the Member States should base their actions.

At the end of the meeting the Presidency drew the conclusions of the discussions. The Commission has been asked to make suitable proposals in the light of those conclusions. These proposals will be discussed by the Council in the most appropriate formation.

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77. Question by Mr Schwenke (H-242/81)

Subject: Diplomatic relations between Greece and Israel

What steps has the Council taken, and with what results, to persuade Greece, now that it is a member of the Community, finally to establish full diplomatic relations with Israel?

Answer

The question of diplomatic relations between each Member State and third countries does not come within the sphere of competence of the Council, but rather within the sovereignty of the State in question.

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78. Question by Mr Michel (H-245/81)

Subject: Humanitarian and food aid from the Community to Vietnam

In its efforts to provide emergency aid and food aid for the victims of disasters and to alleviate the permanent food shortage of many developing countries, the sole concern of the European Community has always been to meet the needs of those in distress.

Can the Council state the political reasons which, in contrast to its traditional open attitude, underlay its refusal to grant any humanitarian or food aid from the Community to Vietnam, even though Vietnam, which, last year, was devastated by a series of typhoons that destroyed a large part of the country's crops, is faced with a very serious food shortage?

Answer

The Council shares the view that the aim of emergency and food aid is to meet the needs of people in distress following disasters or to alleviate the food shortage in many developing countries which do not have sufficient resources. One of the fundamental conditions for such projects is, however, the assurance that the aid supplied by the Community actually reaches the peoples for whom it was intended and at the right time.

As was already pointed out in the reply given during Question Time in May 1981 to the question put by Mrs Lizin on the same subject, the Commission was unable to obtain sufficient assurances in this connection regarding Vietnam and it has not therefore thought it desirable to put forward proposals regarding that country in the 1980 programmes.

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79. *Question by Lord Douro (H-248/81)*

Subject: The accession of Portugal and Spain to the European Community

What progress does the Council hope to achieve in the next six months in the negotiations on the accession of Portugal and Spain to the Community?

Answer

The Council intends to press on with the negotiations during the next six months within the framework of the method hitherto applied.

As regards highly important areas of the negotiations, notably agriculture, own resources and fisheries, the possibility of the Community adopting a substantive position is obviously very closely linked to the outcome of the Community's discussions on the '30 May Mandate' and on fisheries policy.

The Presidency intends to ensure that substantial progress can be made by the end of the year amongst the Ten in these sectors, which should also make it possible to discuss those areas with our Iberian partners.

We are also making every endeavour to achieve as much progress as possible in the negotiations on other chapters and in particular to find as many areas of agreement as possible. This should in particular be possible in the near future for important issues such as customs union, the ECSC and external relations.

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80. *Question by Mr Marshall (H-250/81)*

Subject: The impact of enlargement upon Israel

Can the Council indicate how often it has discussed the impact of the enlargement of the Community upon Israel and can it guarantee that enlargement will not proceed further until Israel's interests are safeguarded?

Answer

In January 1979, the Council began a general review of the impact its enlargement might have on relations with third countries and in particular on its Mediterranean partners, including Israel. Since then this issue has been raised both in the Permanent Representatives Committee, on the basis of documents received from the Commission, and in the Council of the European Communities in connection with the preparations for the meetings of the Cooperation Councils which have been held with Israel, the last of which was in October 1980.

The position which the Community submitted to the Israeli delegation at the latter meeting of the Cooperation Council is still fully applicable and in fact contains all the details of the steps which the Community intends to take in order to continue its review of this complex question.

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81. *Question by Mr Vergeer (H-254/81)*

Subject: Growing dependence of certain ACP States on South Africa for food

In its relations with ACP leaders in connection with the implementation of the Conventions of Lomé, the Council learns of and supports all schemes for cooperation aiming to give the ACP States, particularly the frontline States, greater economic independence from South Africa.

The Council will thus be aware of the disturbing fact that a number of African AVP States are becoming increasingly dependent on the Pretoria regime for food supplies.

Does the Council not therefore think it would be opportune to allow the Commission to draw up pluriannual food aid programmes for the ACP countries whose food deficit has resulted in a dangerous increase in dependence on South Africa over the last few years?

Answer

Projects financed as part of the application of the Second Lomé Convention by the Community in ACP States adjacent to South Africa, from both the national and regional points of view, and in particular in the agricultural and rural sectors, should have the effect of reducing the dependence of those countries for food by helping them to define and implement national food strategies.

As regards food aid granted autonomously by the Community, it is for the Commission to submit aid programmes which take account of the requirements of the recipient countries. A Council Resolution of November 1980 confirmed on 28 April 1981 explicitly provides henceforth, as Parliament wishes, for the preparation of multiannual as well as annual food aid programmes.

Furthermore, the Community and the Member States contribute to other food aid action at international level and, when required as a result of natural disasters, to emergency aid for such countries.

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82. *Question by Mr Delatte (H-264/81)*

Subject: Charging the cost of delivering foodstuffs to Poland to the Community budget

The answer to Oral Question No H-673/80 of 11 February 1981 indicates that the cost of the first delivery of foodstuffs to Poland at prices below world levels decided on in December 1980 and the second delivery approved in April 1981 is charged to the EAGGF. Given that these operations do not come under the common agricultural policy, does the Council not intend to enter them in a different part of the budget, as the cost should clearly not be borne by the EAGGF?

Answer

It is correct that the supply of foodstuffs to Poland at favourable prices constitutes an exceptional measure which is based on the mainly political conclusions of the meeting of the European Council in December 1980. This operation was therefore carried out in the context of the mechanisms of the common agricultural policy. The Council, acting on a proposal from the Commission, has in fact agreed that the expenditure resulting from this operation, i.e. the export refunds, will be covered by the EAGGF. I do not think that the Council could go back on this decision.

I would, moreover, point out that the first tranche of the supplies decided on on 16 December 1980 was financed under EAGGF appropriations for 1980. As for the second tranche, the Commission has declared that the additional costs can be covered by current EAGGF funds for 1981 and therefore do not make a supplementary budget necessary.

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83. *Question by Mrs Le Roux (H-266/81)*

Subject: Request by Nicaragua for food aid

Nicaragua has asked the Community for food aid. Can the Council say whether it has acceded to this request and, if so, how much aid has been granted and when will it be supplied?

Answer

For several years now Nicaragua has been a beneficiary of Community food aid programmes. Under the 1980 programmes it received 8 600 tonnes of cereals and 1 000 tonnes of skimmed-milk powder. The 1981 programmes, adopted by the Council at the end of April, make provision for delivery to Nicaragua, in response to the request it made to the Commission in August 1980, of 10 000 tonnes of cereals, 2 000 tonnes of skimmed-milk powder and 200 tonnes of butteroil. According to the Commission, which is responsible for supervision of the mobilization and carriage of aid, delivery will be effected during the summer months.

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85. *Question by Mr Balfé (H-270/81)*

Subject: The budget of the Community

Bearing in mind that the budget of the Community is financed under the same system of revenue raising how would the Council view the possibility of staff being declared redundant by one institution accepting a generous payment for termination and then being employed by another institution funded by the Community?

Answer

The allowances paid in the event of assignment to non-active status (Article 41 of the Staff Regulations) or of retirement in the interests of the service (Article 50 of the Staff Regulations) may be combined with other income only up to the amount of the total remuneration last received. Similar rules are laid down in the special regulations adopted for the accession of new Member States.

If an official to whom one or other of the above provisions has been applied is recruited by another Community institution and receives in his new post remuneration equivalent to that he received in his previous post, he will no longer be paid an allowance. If his new salary is lower than his previous one, the allowance paid will amount only to the difference between the two salaries.

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88. *Question by Mr Pranchère (H-278/81)*

Subject: Export refunds granted by the Community

During his visit to Brussels on 26 and 27 May, Mr Block, the United States Secretary for Agriculture, strongly criticized the export refunds granted by the Community and threatened to take retaliatory measures. What action does the Council intend to take in response to these threats?

Answer

During his meetings in Brussels with Community representatives Mr Block was quite frank in explaining the United States' attitude on the future development of world agriculture and in this context raised the problem of export refunds, a matter of major concern to the United States.

For their part, the Community representatives explained with equal frankness to Mr Block the objectives of the agricultural policy and the problems surrounding it; further details on these talks may best be obtained from the Commission representatives who were primarily involved in the meetings with Mr Block.

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90. *Question by Mr Bettiza (H-295/81)*

Subject: Body searches by customs officials

Does the Council not consider that body searches by customs officials are contrary to the principles of the Treaty of Rome? Will it indicate whether on the eve of the summer holidays, during which large numbers of citizens from the ten Member States will be travelling within the Community, it intends to take steps to abolish this deplorable practice?

Answer

The Council would remind the honourable Member that customs duties no longer exist between the Member States. Searches which take place at borders are mainly to check compliance with police, VAT, excise duty and health regulations, (and rules regarding the preservation of the artistic or cultural heritage and the protection of industrial and commercial property and such searches are in accordance with the Treaties of Rome).¹ Within the scope of its jurisdiction the Council is continuing to work towards the elimination of internal barriers within the Community.

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III. *Questions to the Foreign Ministers*95. *Question by Mr Galland (H-81/81)*

Subject: Fate of 2 000 Cypriots missing since 1974

Having regard to the recent statement by the Greek Foreign Minister that his country was prepared to support the Cypriots in seeking a solution to their problems regarding the Turks, and further to the request made by the Cypriot Government to the American Secretary of State after the liberation of the American hostages that he should intercede with Turkey regarding the fate of the Cypriots reported missing, do the Foreign Ministers not think that the European Community has a role to play in promoting a dialogue between the Greeks and the Turks in Cyprus and using its influence with the government in Ankara to bring about the release of the 2 000 people (1 200 soldiers, 821 men, 155 women and 24 children) reported missing since August 1974 and about whom it is not even known whether they are still alive?

Answer

The UN Secretary-General's personal representative in Nicosia recently reported inter-communal agreement on the establishment of a committee, with Red Cross participation, to investigate the missing persons question. The Ten express the hope that all parties involved in this procedure will demonstrate the goodwill necessary for the solution of this purely humanitarian problem.

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96. *Question by Mr Israel (H-163/81)*

Subject: Cultural rights of the Kurds in Turkey

Given the possibility of a return to democracy in Turkey, do the Foreign Affairs Ministers envisage drawing the attention of the Turkish authorities to the need to grant the Kurds, who make up a quarter of the total population of Turkey, their full cultural rights, i.e. the right to be taught in Kurdish, the right to use their language in the courts, and the right to have a Kurdish literature, press and radio?

¹ The French delegation requested the addition of the phrase in brackets.

Answer

The specific issue raised by the honourable Member has not been discussed in the framework of European political cooperation. Consequently, the Presidency is not in a position to give a reply on behalf of the Ten to his question.

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97. *Question by Mr Beyer de Ryke (H-197/81)*

Subject: Concerted action against terrorism in the Community

Will the President-in-Office bring onto the agenda of the Foreign Ministers the question of concerted action against terrorism in the Community?

Answer

Since 1976 Member States have been especially concerned to coordinate action against terrorism. Practical cooperation between police forces has been significantly improved as the result of the implementation by senior officials of various programmes of work laid down by ministers with security responsibilities.

Ministers will meet, for the fifth time since 1976, in London in December 1981 to assess progress and to give directions for further areas of work. On the criminal justice side the European Council declaration on terrorism in July 1976 led directly to the signing in December 1979 of an agreement between Member States on the application of the European Convention on the Suppression of Terrorism. All this is evidence of the importance which Member States attach to the question of concerted action against terrorism in the Community.

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98. *Question by Mr Blumenfeld (H-198/81)*

Subject: Security policy

In which areas of security policy do the Foreign Ministers consider the Community can now make the greatest progress in defining common positions and interests?

Answer

As the honourable Member will know, European political cooperation (EPC) provides for an exchange of views on all important questions of foreign policy. Such questions have in the past included matters related to the political aspects of security, as for example the CSCE. Discussions among Ministers as to a possible further intensification of EPC in this respect have, however, not been sufficiently detailed for me to give a reply to the specific question raised by the honourable Member.

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99. *Question by Mr Haagerup (K-213/81)*

Subject: CSCE

How do the Foreign Ministers now see the future of the CSCE process in the light of what has been achieved in Madrid?

Answer

The Madrid Conference is still in session. Work continues on the drafting of the concluding document, and although there has been some progress, main issues such as human rights, military security, information and the follow-up remain unresolved. Foreign Ministers of the Member States are agreed that delegations in Madrid should continue to work for a substantial and balanced outcome to the meeting and have stressed the importance of maintaining the continuity of the CSCE process.

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100. *Question by Mr J. M. Taylor (H-228/81)*

Subject: New World Information Order

Do the Foreign Ministers consider that there is a danger that some aspects of the proposed New World Information Order are contrary to the UN Charter and have they considered any collective action within UNESCO to safeguard the freedom of the press?

Answer

Although there has been much discussion of a proposed New World Information and Communication Order, there is no international consensus on its definition. Were such an order to contain provisions leading to restrictions being imposed on the media and the free flow of information, it is the view of the Foreign Ministers that this would be contrary not only to the spirit of the UN Charter, but to the constitution of UNESCO itself. There is regular consultation among the Ten on the means to prevent the imposition of such controls.

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102. *Question by Mr Michel (H-247/81)*

Subject: Humanitarian and food aid from the Community to Vietnam without political strings

With reference to paragraphs 32 and 33 of the resolution adopted by the European Parliament on 8 May 1981 on the Commission's proposals concerning the regulations relating to food aid in 1981, do the Ministers not agree that no political strings should be attached to humanitarian and food aid from the Community to Vietnam, which is essential in order to avoid a serious food shortage from which children would be the first to suffer?

Answer

The Ten have noted the European Parliament resolution referred to by the honourable Member. In the view of the Ten political considerations should not be a factor in the allocation of humanitarian and food aid, whose chief object is to relieve hunger and distress in emergencies.

The Ten are not convinced that aid provided to Vietnam at present would effectively reach those in need at the appropriate time. Moreover, the view of the Ten is that it would not be appropriate in present circumstances to allocate to Vietnam resources for which there is great need in other parts of the world, such as the Horn of Africa.

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103. *Question by Mr Marshall (H-251/81)*

Subject: The encouragement of sporting links with South Africa

As the Irish Rugby Tour has resulted in the first non-white playing for South Africa, what proposals do the Foreign Ministers have for encouraging sporting links with South Africa and would they agree that the South African sporting world has become increasingly multiracial?

Answer

The Ten have not recently discussed this matter. I would, however, refer the honourable Member to the answer given by the Presidency to Question 190/79 by Mr Moreland which set out Member States' general position on the question of sporting links with South Africa.

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104. *Question by Mr Vergeer (H-255/81)*

Subject: More coherent action by Europe on South Africa

In view of the divergent positions adopted by the Member States of the European Community at the United Nations General Assembly in a series of important votes, taken in December 1980, on resolution on nuclear and military cooperation with South Africa, on the oil embargo on that country, on the boycott in the field of culture and universities, on apartheid, on aid to South African liberation movements and on investment in South Africa, I would like to know if the Ministers have had an opportunity to discuss the need for a more coherent European approach, taking into account the lessons learnt from previous intervention, such as the enforcement of the code of conduct for EEC undertakings with subsidiaries and branches in South Africa?

Answer

The Ten are united in their abhorrence of apartheid and their desire to promote the process of peaceful change in South Africa. They consult regularly in the framework of political cooperation on southern African issues. They also consult with the aim of harmonizing their position on these issues in various United Nations bodies and frequently deliver joint statements and explanations of vote.

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105. *Question by Mr Van Miert (H-256/81)*

Subject: El Salvador

Have the Ministers taken the necessary action at the United Nations to ensure that the Salvadorean refugees gathered in the El Salvador-Honduras frontier region are properly recognized as refugees and therefore eligible for assistance from the appropriate international relief organizations?

Answer

The statute of the office of the United Nations High Commissioner for Refugees contains definitions of those persons to whom the High Commissioner's competence extends. Any person meeting these criteria qualifies for international protection under the auspices of the United Nations regardless of whether or not he is in a country that is a party to the 1951 Convention or the 1967 Protocol relating to the status of refugees or whether or not he has been recognized by his host country as a refugee under these instruments.

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IN THE CHAIR: MR ZAGARI

Vice-President

(The sitting was opened at 10 a.m.)

President. — The sitting is open.

I call Mr Enright on a point of order.

Mr Enright. — Mr President, it was said to me yesterday that in the vote on Tuesday a number of people voted who were not present in the Chamber. Now, I have no means of either proving or disproving

that, but would the Bureau look into the matter of seeing how we can be sure that the votes recorded are actually recorded by people who are present?

President. — Your comment is noted.

1. *Approval of minutes*

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

Are there any comments?

I call Mr Irmer.

Mr Irmer. — (DE) Mr President, after glancing through the attendance register in yesterday's minutes, I see that my name is not there. I was present, however, and I should like the record to be corrected.

President. — I call Mr Turcat.

Mr Turcat. — (FR) Mr President, Mr Irmer is not the only Member who was present but whose name is missing from the list. I can see several people near me here who are in the same position: Mr de la Malène, Mr Lipowski, Mrs Fourcade, apart from myself. There is a consistent error here, with some pages missing. There will have to be a general check on the attendance register.

President. — I call Mr Pintat.

Mr Pintat. — (FR) Mr President, ladies and gentlemen, I endorse entirely what has just been said by Mr Turcat, since I see that there are at least 15 Members from our group who were here yesterday but whose names are missing from the attendance register. They include Mrs Scrivener, Mrs Martin, Mrs von Alemann, Mrs Pruvot, Mrs Tove Nielsen, Mr Louwes, Mr Poniatowski, Mr Combe, Mr Delorozoy, Mr Nielsen and myself — and I was sitting in the front row yesterday. In the circumstances I am sorry to have to say that our group cannot approve these minutes, and I want this to be recorded in the minutes.

President. — There has been a technical error. Please be patient as the necessary correction will be made.

I call Mr von der Vring.

Mr von der Vring. — (DE) Mr President, I should like to refer to page 3, item 5 of yesterday's minutes and am obliged to raise a point of order. I would ask the chair to pay close attention to what I have to say.

It is stated in these minutes that the Council submitted a request for urgent procedure for the drainage measures in Ireland and that this request reached the President in the correct manner. However, it would now seem to be established that this item will be placed on Friday's agenda for urgent debate in accordance with the Rules of Procedure as a request for urgency. I most formally reject this view on behalf of the Socialist Group. What is more, Mr Arndt already stated his opposition to this yesterday.

I refer you to Rule 57(2) of the Rules of Procedure, which quite clearly states how matters of urgency can be entered on the agenda. This can only happen if a request from the Council, in writing and with supporting reasons, is distributed to all the Members

so that a vote on it can be taken the next day. This procedure was not followed. The Members have received no such written request for debate by urgent procedure. This is why Mr Arndt yesterday referred to Rule 57 of the Rules of Procedure and clearly stated that our group feels there is no justification for adopting urgent procedure. We strongly reject the statement in yesterday's minutes, which disregards the views of Mr Arndt and the Rules of Procedure, to the effect that this item was placed on the agenda for Friday.

Mr President, this question is important for two reasons. Firstly, we wish to make sure that the new Rules of Procedure are meticulously, yet flexibly, applied. I am not making my objection for reasons of pure form. I am doing so rather because a committee has not been able to exercise its rights. Because of this laxist approach the committee has been bypassed. We firmly oppose this. I am telling you quite clearly that this vote will not take place tomorrow! If this breach of the Rules of Procedure is not quickly mended, then my group is determined to call a quorum tomorrow.

I therefore urge you to ensure that this item is not on Friday's agenda and also that in accordance with the Rules of Procedure, it cannot be returned to again this week.

President. — I call the Committee on Agriculture.

Mr Früh. — (DE) Mr President, ladies and gentlemen, the question in hand is one of drainage measures for Ireland which have already been running for a long time and which are now due to be brought to an end. The Committee on Agriculture received a request for urgency from the Council. The Committee, after long and intense discussions, voted by a majority in favour of this request and recommended that it be submitted to the House for debate by urgent procedure.

There is no doubt that this matter involves the protection of the environment. I have been assured by all sides, and particularly by those concerned, that in Ireland everything possible is being done to avoid neglecting the justified needs of environmental protection. After discussions the Committee on Agriculture approved these measures by a large majority, and I would therefore ask you to vote in favour of urgency. If, however, this goes against the Rules of Procedure — and as Chairman of the Committee on Agriculture I cannot tell in detail whether this is so — then I ask Parliament to review the whole question once more. On the actual subject itself the Committee on Agriculture is therefore in favour of this request and asks Parliament to approve the request for urgency.

(Applause)

President. — I note Mr von der Vring's statement and would ask him to raise the matter again tomorrow morning when this topic occurs on the agenda.

Mr von der Vring. — (DE) Mr President, you have said that you take note of my statement. If I ask you, Mr President, to ensure that the Rules of Procedure are complied with and if there is no argument with the fact that they have been infringed, a reply that the President takes note of the matter is not good enough. I should like to have a proper answer. Either you decide that the Rules of Procedure were not complied with and yesterday's minutes must be accordingly amended, or else you state that my interpretation is wrong and that you did comply with the Rules. You could also say that the Bureau is still dealing with this tricky problem. I should be satisfied with that. But I cannot tolerate it when you just say 'I take note of the matter' when I am asking you to keep to the Rules of Procedure.

(Applause)

President. — This item is on the agenda, Mr von der Vring. It was for this reason that I asked you, from the Chair, to raise this matter again tomorrow morning.

I call Mr Gautier.

Mr Gautier. — (DE) Mr President, it says in Monday's minutes that this item might be placed on the agenda. Can you tell me when we voted in favour of the Council's request for urgent procedure? I have been present at every voting time and I cannot find in any of the minutes the fact that we have voted on this. Can you please spell out the Rules of Procedure? It is your duty as President.

President. — I call Mr Maher.

Mr Maher. — Mr President, probably you could help me. I am a bit confused. Do I take it that the question of the special measures for drainage in the west of Ireland is now being left until Friday morning? If your answer to that is in the affirmative, I do not have to say any more. But can you clarify that for me, please?

President. — Yes, it is on tomorrow's agenda.

I call Mr Collins.

Mr Collins. — Mr President, I do not think that that is a reasonable answer that you have just given. The fact of the matter is that if the Rules of Procedure have indeed been flouted, then that cannot appear on the agenda at all, which renders your reply to the Member

across there absolutely invalid and we cannot have that. We need a ruling on this now.

President. — I call Mr Johnson.

Mr Johnson. — I merely wanted to say, Mr President, that our group believes that it would not be right for this matter to appear on the agenda of Friday morning on the ground that the Committee on the Environment, Public Health and Consumer Protection has not had a chance to discuss it.

(Applause from various quarters on the left)

Mr President. — I call Mr Muntingh.

Mr Muntingh. — (NL) Mr President, Rule 57 (2) states quite clearly:

As soon as the President has received a request for urgent debate, he shall inform Parliament thereof.

That has been done. The Rule goes on:

The vote on the request shall be taken at the beginning of the sitting following that during which the text of the request was printed in the official languages and distributed to all Members.

We do not have this text, it has not been distributed, and so we cannot deal with this as a matter of urgency on Friday. In other words, if you say this matter is to be discussed on Friday, this is not in accordance with Rule 57 (2). I now ask you either to give a definite ruling on this or to say that the matter will be considered by the Bureau.

President. — I call Mr Klepsch.

Mr Klepsch. — (DE) Mr President, I do not think that we ought to waste any more of our time in this discussion on the Rules of Procedure.

(Applause from various quarters)

In my opinion this is not an urgent question, but it is true that we placed it on the agenda on Monday because there was a report from the Committee on Agriculture before us on this subject.

We could spend another two hours discussing this without getting any further because when in doubt there are only two possible options.

One is, Mr President, that you allow the majority of the House to take a decision as to how we ought now to proceed . . .

(Cries of 'No! No!')

Klepsch

... or you look into the question by tomorrow morning and then let the House decide. But if we were now to go on talking about the Rules of Procedure for hours and hours, it would not befit the dignity of this House.

President. — I call Mr Arndt.

Mr Arndt. — (DE) Mr President, I shall speak on the minutes of yesterday's sitting. The reason for this whole misunderstanding is doubtless to be found there, a misunderstanding for which not you but the President who was in the Chair yesterday and the minutes of proceedings are to blame. All the matters we are discussing now, Mr Klepsch, were in fact brought up yesterday by me. I did not simply mention the application of Rule 57 of the Rules of Procedure, which is what one can read in the minutes, but I also, on the basis of Rule 57 of the Rules of Procedure, demanded that the competent committee should make a request in writing for this item to be dealt with by urgent procedure. As long as no such request is forthcoming, then no decision can be taken on this matter — and I stated this clearly.

Mr Klepsch, what you are now proposing is similarly not in accordance with our Rules of Procedure. This topic was not placed on Friday's agenda on Monday, but what was actually said was that it had been referred to the competent committee for a report to be drawn up. If necessary, it would then be placed on Friday's agenda. However, as long as Parliament has received no substantiated request from the committee, Parliament cannot take a decision on the matter. Yesterday I already protested at the statement that this report had been placed on Friday's agenda. The President at the time agreed to examine the question.

I should therefore like to ask the Chair to see to it that, in accordance with the Rules of Procedure, such a written request is submitted to Parliament. At that time Parliament will be able to decide and not before. I should also like to ask you to correct yesterday's minutes accordingly.

President. — I call the Committee on Agriculture.

Mr Früh. — (DE) Ladies and gentlemen, I do not wish to prolong this argument. But after Mr Arndt's speech, I can only say one thing: the report by the Committee on Agriculture has been tabled. We adopted it by a large majority during our meeting on Tuesday, after protracted and exhaustive discussions. Since it was adopted on Tuesday and is not yet before the House, this can only be due to a problem in distribution. In the past we have often dealt with urgent matters in committee at the beginning of a plenary part-session which have then been debated in the

Chamber during the week. I would therefore ask that we settle the matter once and for all in the way I have just indicated.

President. — I call Mr Clinton.

Mr Clinton. — Mr President, I just thought that it might not be understood by the House that this scheme, and the provision of the money for this scheme, was part of the price package agreed by the Council of Ministers last March and that the agreement was that before 15 July this scheme would be allowed to go ahead and that the necessary money would be provided for it. So that is one very good reason for the urgency and the main committee, that is the Committee on Agriculture, has fully understood this. It is an old scheme; it is unchanged; it is the same scheme that went through in 1978; it is simply a question of more money because of the escalation of prices — that is why the House is now asked to vote this extra money. It is not a question of environment, because that has all been dealt with before.

President. — I call Mr Collins.

Mr Collins, Chairman of the Committee on the Environment, Public Health and consumer Protection. — Mr President, we met and reviewed this thing in a preliminary way and I was instructed by my Committee to rise here today, or whenever I have the opportunity, to try to get this removed from the agenda for a number of reasons, none of them at all concerned with whether there is or there is not an environment problem. The Committee on the Environment, Public Health and Consumer Protection took the view that first of all the rules are being flouted; if you look at Rule 57, as Mr von der Vring has pointed out, you will see that we are not adhering to the Rules of Procedure. That would suggest that it should not be on the agenda; it should certainly not be treated as urgent, it should simply be removed.

But secondly, there is also the question of the status of Parliament because, as we have heard, this is an old proposal, it goes back in its original form to 1978. As well as that, the present proposal arises immediately from the price package earlier on this year in March. But this, Mr President, is July, and yet we did not see this proposal until Monday this week, while the Committee on Agriculture may well have had a lengthy debate on Tuesday, though one might ask how long is lengthy? The point is that there are many of us who did not have the opportunity to discuss this adequately. And we as parliamentarians must surely resent any question of treating the Parliament's opinion with contempt by trying to bulldoze material through the plenary session. If we allow this kind of thing through, under whatever pretext, then before we know where we are, we will have all kinds of other

Collins

reports coming up on Monday with a request for urgent procedure and a decision on Friday. Mr President, that cannot be allowed, and so I am saying that under Rule 57, as well as in the interests of Parliament's whole status, this should not be discussed at all at this present minute. We can come back to it later on and discuss it properly.

President. — Ladies and gentlemen, I note this request for referral to committee.

I call the Committee on Agriculture.

Mr Früh. — *(DE)* Mr President, this misunderstanding would seem to be cleared up. If my interpretation is correct, Mr Arndt called this item into question because the committee had not submitted a request for debate by urgent procedure. We have just had another look together at the Rules of Procedure, which state that the Council, too, — and this is quite natural — can request urgent procedure, and this is what has happened in this case. The Council has submitted a written request for urgency. Therefore Mr Arndt's objection is no longer valid and we ought now to end this discussion once and for all. All we need do now is vote.

President. — I call Mr Maher.

Mr Maher. — Mr President, I think Mr Collins is making a mountain out of a molehill. What we are talking about is, in fact, the finalization of a scheme that has been running for 3 years already. It is related to the poorest part of the poorest country of the European Community and, of course, Mr Collins is very glad to use the poorest country in order to defeat the Council. If this were a very large powerful country, would it be the same case? I wonder.

(Applause from certain quarters of the Group of European Progressive Democrats)

This is a region of the Community that has been suffering from devastating depopulation, simply because it was unable to use its natural resources through lack of drainage. Now we are getting an opportunity to finalize this drainage programme to enable more people to live in these areas and not to be shifted more and more towards the cities and towns. If it is delayed, a whole season is lost because drainage cannot be carried out during the winter period; it must be done during the summer. Mr Collins, of course, will not be affected by this, but small farmers back in Ireland living on less than £ 40 a week will be affected by it. I ask you to have some concern for those people and to adopt this proposal.

(Applause from the centre and from the right)

President. — I call Mr Muntingh.

Mr Muntingh. — *(NL)* Mr President, you have allowed Mr Maher to speak on the substance of the matter, and he has made particularly unfair use of his talents as a demagogue. We are not interested here in the substance of the problem. We are dealing with its formal aspects. No-one in this House wishes to hurt the poor Irish farmers. That, however, is not the question. I myself could tell some tear-jerking stories about how the environment is being polluted, but I do not do so because that is not relevant here. In my opinion, Mr Maher's speech was no more than a vote-catching stunt.

My second point is that we cannot vote on this. What we have here is a purely formal question. We cannot vote on something which pursuant to Article 57 (2) of the Rules of Procedure cannot be placed on the agenda.

President. — I call Lord Harmar-Nicholls.

Lord Harmar-Nicholls. — Mr President, there are certain responsibilities which devolve on the chair. The question is not one of substance; it is whether or not we are within the rules as laid down, and that is a decision which should come from the President's chair. We are not to be fobbed off with a general vote where the details cannot properly be taken into account by all Members. I called for a ruling from you as to whether or not it is in accordance with the rules. The substance of the matter is not to be considered at this stage before we get that presidential ruling.

(Applause from various quarters)

President. — I have already said that the report has been placed on Friday's agenda in accordance with the decision which Parliament took at the beginning of this part-session.

(Parliament rejected the request for referral to committee)

I call Mr Glinne.

Mr Glinne. — *(FR)* Mr President, if I am not misreading yesterday's minutes I see that with regard to the setting up of a committee of inquiry pursuant to Rule 95 of the Rules of Procedure the Bureau is supposed to have set the deadline for submitting nominations for this committee, to be composed of 16 Members, at 11 a.m. today.

I should like this deadline to be put back to tomorrow or this evening, since the groups can still exchange views on this matter at noon today.

President. — The chair takes note of your request, Mr Glinne.

I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — Mr President, all you said was that the chair has taken note of Mr Glinne's speech, and that really is not quite satisfactory. He did, in point of fact, ask that the deadline for submitting names for this so-called committee of enquiry be put off until either late today or tomorrow. The first point of order is to ask whether you intend to extend the deadline.

The second point of order is that I do not know what the devil has happened to the list of attendance at the back of the minutes; it is completely wrong. I made a speech yesterday and I am marked down as being absent! This is absolutely ridiculous! A lot of my honourable friends who were here and signed in are not down on the list of attendance in the minutes. Quite frankly, one cannot accept this and I hope you will withdraw this particular page of the document and see that it is amended properly.

The real point of substance is, what are you going to do about Mr Glinne's request to postpone the 11 a.m. deadline for this so-called court of enquiry? You must take a decision now, because you have only got 25 minutes to decide, as I hope you will.

President. — I have already said that the minutes contain a technical error — and not a political one — which will probably be corrected in the course of the morning.

As for the matter raised by Mr Glinne, I shall give an answer as soon as he has outlined his request in more detail.

I call Mr Glinne.

Mr Glinne. — (FR) Mr President, an adequate number of Members, as far as Rule 95 is concerned, have tabled a proposal for the setting up of a committee of inquiry. I do not think any more can be said about the basic principle, since the decision has been made.

The problem is purely and simply how we are going to set up this committee and who is going to be on it. I indicated just now that the deadline of 11 o'clock was really far too soon to allow the groups to have any kind of discussion among themselves. This is what I was getting at, and if nominations could be deferred until tomorrow, that would be the ideal solution.

President. — Sir James, Mr Glinne's request is addressed in actual fact to the group chairmen, with

the idea of deciding who is going to be on this committee so that the House will have a definite proposal to consider during today's sitting or tomorrow's.

I call Sir James.

Sir James Scott-Hopkins. — It is a little more complicated than that, as I am sure you and Mr Glinne understand, Mr President. It also concerns the question of amendments, because some colleagues have decided to put down amendments, and if you look at the Rules of Procedure this can be done. It is a question of when the final definitive decision has to be taken. That is all I am asking. But you must take a decision on the deadline for tabling amendments, as a number of people wish to table amendments. The Rules of Procedure are quite clear about this, whether one agrees or disagrees; that is not the point. The point is that there are amendments that can be and are being put down on the number of people who are going to be appointed to this committee. We want to know the actual timing of all this. That is the important thing, nothing else.

President. — Sir James, would you care to make a definite proposal, in view of the fact that this is a matter which affects the groups in the main?

Sir James Scott-Hopkins. — Nine o'clock tomorrow morning, Mr President.

President. — I note that the House is in agreement with this proposal.

(Parliament approved the minutes of proceedings)¹

2. Decision on urgency

President. — The next item is the vote on two requests for urgency. We shall begin with the request in respect of the proposals from the Commission to the Council for:

- I — a decision on the conclusion of the Agreement, in the form of an exchange of letters, establishing fishing arrangements between the European Economic Community and the Kingdom of Sweden for 1981;
- II — a regulation laying down certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Sweden (Doc. 1-327/81).

¹ Documents received — Texts of treaties forwarded by the Council — Referral to committee: see minutes.

President

I call the Committee on Agriculture.

Mr Früh. — (DE) Owing to lack of time, Mr President, the Committee was not able to consider these proposals. I would not recommend urgency, as there is no report by the Committee on Agriculture.

President. — I call Mr Arndt.

Mr Arndt. — (DE) Mr President, I have a question to put to the Committee on Agriculture. Is it possible for us to accept this agreement without a report? It matters little to the Council whether there is a report by the Committee on Agriculture and I cannot really see the need either, since if you ask me there is nothing to object to as regards this agreement. This is why I am asking the Committee on Agriculture if it agrees that no report is needed. I would suggest that we vote on the agreement as a matter of urgency without a report.

(Parliament adopted urgent procedure — the item was placed on the agenda of the sitting of 10 July 1981)

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President. — We shall now consider the request for urgent procedure in respect of the proposal from the Commission to the Council for a directive amending Directive 78/118/EEC on health problems affecting trade in fresh poultrymeat (Doc. 1-98/81).

I call the Committee on the Environment, Public Health and Consumer Protection.

Mr Combe. — (FR) Mr President, the Committee met yesterday. The problem is quite straightforward. We are simply being asked to extend the deadline from 15 August 1981 to 15 August 1982 so that we can examine the directive more thoroughly.

The Committee was very favourable to this request and I am asking the House to express its agreement. The problem will be dealt with very quickly and will not hold up the business of the House.

(Parliament adopted urgent procedure — the item was placed on the agenda of the sitting of 10 July 1981)

3. European Council in Luxembourg — Programme of the British Presidency (continuation)

President. — The next item is the continuation of the joint debate on the Council and Commission state-

ments on the European Council in Luxembourg and the Council statement on the programme of the British Presidency.¹

I call Mr De Gucht.

Mr De Gucht. — (NL) Mr President, Mr President of the Council, it reflects a great dynamism and unabating enthusiasm on the part of Lord Carrington that he had already conducted important international talks in his new capacity as President of the Council before making his statement in the European Parliament. We hope that the coming six months of his presidency will be marked by the same dynamism and resolve.

He rightly drew attention to the difficult, not to say dramatic, economic situation in the Community. However, it is not enough simply to repeat commonplaces of this kind.

Appropriate measures, with an eye to the future, are absolutely vital. The European Parliament has repeatedly noted that relevant proposals have been made by the Commission with a view to finding a way out of this economic *impasse*. However, in most cases the Council failed to take any decision on them.

As you have rightly pointed out, the European Community bears a heavy burden of responsibility as regards peace and security. However, if a policy in this field were to be developed exclusively by the big Member States, this would be at the expense of Community cooperation. The President-in-Office of the Council must realize that if there are more meetings of the kind held between the President of the Council and Mr Cheysson and Mr Genscher in London last week, the Liberal Group will be obliged to take appropriate steps here in Parliament. We are, and will continue to be, opposed to any form of governing board within the Community, and the foreign policy of the Community must be arrived at by means of consultation and prior discussion between all the Member States and not just three of them. It is up to you, Mr President of the Council, to make it clear to your colleagues that it is only by taking a united stand that we will be able to maintain our prosperity and hence our welfare.

You will probably not be surprised to learn that we as Liberals are fundamentally opposed to protectionism, but I am sure you will equally realize that the Community, with its large production capacity and its relatively small market, would be the first to suffer from the countermeasures which would inevitably result if Europe were to give in to the temptation of introducing a protectionist policy. The only way in which we can make a start on solving these problems is by means of a Community industrial policy with the emphasis on investments in sectors with a future.

¹ See debates of 8 July 1981.

De Gucht

Finally, I should like, in the context of the institutional problems we are discussing this week, to make the request that the Council should report to Parliament not only at the beginning or end of each six-months Presidency, but that it should be present at every important debate in order to demonstrate in real terms its willingness to cooperate.

President. — I call Mr Skovmand.

Mr Skovmand. — *(DA)* Mr President, Lord Carrington appears to take the view that Britain's situation as a member of the Community is intolerable and that it should be put right at the expense of the Danish farmers, among other things. This view of Britain's position within the Community may well be correct, but it is no different from what people knew would happen in 1972. Nevertheless, the Conservative government at that time led the country into the Community with its eyes wide open in the full knowledge that it would cost money. Now there is another Conservative government and it wants things changed. It should not be allowed to get its way.

The situation is completely different as regards Denmark. The fact that there was a majority in favour of joining the Community in the 1972 referendum was because people expected that membership would be in the interests of Danish farmers. On the terms Lord Carrington is looking for, Denmark would never have joined and the same is true as regards the right of veto, which the President of the Commission is currently so keen to abolish. If this right had not existed in 1972, the people of Denmark could never have been persuaded to vote in favour of accession.

One gets the very unpleasant impression from this debate that the big and strong countries want to make the decisions and that all the small Member States are supposed to do is fit in with them.

President. — I call Mr Moreau.

Mr Moreau. — *(FR)* Mr President, ladies and gentlemen, yesterday morning the new President-in-Office of the Council told us that he wished his Presidency to be dominated by the triptych of renewal, enlargement and identity.

I, for my part, would like to stress the renewal and identity aspects of the question. We all know that Europe has to face up to new challenges and that it must find new ways out of, and solutions to, them. To restate them, in the way in which Lord Carrington did yesterday, is one thing; as we all know, to achieve this aim is quite another.

The fact is that the diagnosis and analyses made by different people are far from the same. Proposals

which in appearance are made in common often gloss over real differences of opinion. But today's Europe can no longer dilly-dally. The European Council, and the British Presidency, occur at a difficult time for Europe. It is, therefore, more urgent than ever that the Community should speak with a single voice, but a coherent one, wherever it is represented, in Ottawa or during the discussions on North-South relations. Yes, we do need renewal, but this must be carried out in a way which reaffirms Europe's identity and enables it to face up to, and solve, the problems which it can no longer side-step. Proposals were put forward at the last European Council which, in our view, tend in the right direction. It was stated yesterday morning that there were two priority questions: inflation and unemployment. I am not certain that these two priority matters are considered of equal importance by the Presidency.

In our opinion, whilst not denying the great importance of the fight against inflation, the struggle against unemployment is gaining ascendancy daily because unfortunately the figures speak for themselves. In spite of the announced respite, based on Commission figures, the situation is steadily deteriorating in various sectors. As a result, the struggle against unemployment ought, in our view, to be an integral part of an overall policy, which must be pursued at both national and European level.

Although it should be stressed that governments have a major role to play in defining what economic policies should be pursued, we are nonetheless obliged to admit that we must now go much further and much faster in policy coordination and in the framing of Community policies.

At this stage, we can no longer simply make do with statements of intent as has too often been the case in Commission texts or in Council declarations. This is true as regards Europe's attitude towards the United States or towards other non-Community countries such as Japan. It is also true where the European Monetary System is concerned. What we must do is to make real efforts in sectors such as energy and in those industries which have the potential to adapt to future requirements. We have instruments at our disposal which we must now use.

This is why we wish once more to stress the importance of using Community loans, the new Community Instrument and the European Investment Bank. In this way cohesive support will gradually be built up for economic activities.

However, renewal will not be achieved if we do not pay all the necessary attention at Community level to technological innovation. This is a prerequisite for successfully accomplishing the third industrial revolution now taking place to the advantage of the men and women of Europe.

Moreau

Europe must be a focus for innovation, but innovation must also impinge on the social field. The concept of a European social area, which has now been put forward, deserves to be more closely examined by this House. The interchange between various social categories is still one of the essential building blocks of the Community. This can be achieved by meeting the most pressing problems, in particular that of reducing working hours. We are fully aware of how difficult this task is. But everything in our power must be done to create the new jobs we need.

In conclusion, Mr President, Europe needs renewal, but its renewal can, in our opinion, only be based on a solution to the problems of the working population, the peoples of Europe, and this must be achieved whilst upholding the deep-seated identity of each of our countries and of the Community.

President. — I call Lord Bethell.

Lord Bethell. — Mr President, I want to congratulate the President-in-Office on beginning his six-month term with a substantial *coup de théâtre* by his visit to Moscow, and indicate that it was really no surprise, I am sure, to him or to anyone in this Assembly that he should have returned from Moscow with a verdict from the Soviet Foreign Minister that what was proposed was unrealistic. It really would have been too much to hope that a representative of this Community could have gone to Moscow and come back with a solution neatly wrapped up in a parcel.

However, I feel sure that the ideas that have been put forward by the ten governments will remain on the table and will eventually provide some sort of a basis for the solution of this problem, because there can be no true convergence between East and West, no true *détente*, so long as Afghanistan remains occupied by a large number of Soviet forces.

I believe there is more that the Community can do to improve the situation over Afghanistan and bring about true *détente* after Soviet withdrawal. Two million refugees are now across the border in Pakistan, driven there, I believe, by the policies of the Soviet Government quite deliberately as a form of genocide to enable them to establish their control. The Council of Ministers can be more positive in setting aside sums of money for the relief of the refugee problem in northern Pakistan. Much has been done already; much has been contributed by the United States as well; I believe that the Commission can make more generous proposals and the Council can confirm them, and I would ask them to do so.

I want now, very briefly, to say a word of tribute to France, which I believe has done more than any other Community country, or indeed any other country in the world, to highlight the Afghan conflict. The organization Médecins sans Frontières — Doctors without Frontiers — has established itself in Afghani-

stan as the main humanitarian force. I should like to see more countries identifying themselves with this magnificent organization and helping the work that they do.

I believe that over the next few months the Soviet Government will come to the conclusion that they can no longer afford to let the situation drift as it is now. The guerrilla war is costing them very dear in Afghanistan and it is lowering their prestige in the Third World. These two considerations will, slowly but surely — I believe, perhaps less slowly than many imagine — convince the Soviet Government that they must find a solution. Otherwise the guerrilla war will get worse and their status in the Third World will continue to deteriorate. Then, Mr President, we shall see whether the proposals of the Ten put forward by Lord Carrington three days ago are realistic or unrealistic.

President. — I call Mr Capanna.

Mr Capanna. — (IT) Mr President, as you can see I am speaking wrapped in a blanket, and I should like to state straight away that I am well aware that it is not carnival time. But I think that Lord Carrington and his colleagues in the British Council Presidency will understand better than most what significance I wish to give to this gesture.

In this House and in the presence of the British Presidency, I should like to bear witness in this tangible way to the dramatic intensity in both human and political terms, of the protracted struggle of Irish prisoners in British prisons in Northern Ireland. In order to do this, I have used one of the specific forms which their opposition has taken. As is well known, for months they have refused to wear the prison uniform and have worn only a blanket.

The British Presidency took an interesting initiative on Afghanistan, and I was expecting Lord Carrington to comment on Europe's own little Afghanistan, that is Northern Ireland. Instead, Mr President, neither in his introductory speech nor in his conclusions — in spite of the fact that at least three Members have spoken on this subject — did Lord Carrington use the words Northern Ireland.

The Irish patriots are not terrorists. Unlike, for example, the Nazis, the Red Brigades in Italy, they are fighting for the liberation of their country after centuries of torment and oppression. This explains why the heroic sacrifice of Bobby Sands, O'Hara, Hughes, MacCreesh and the unfortunate death last night of Joe MacDonnell on the sixtieth day of his hunger strike have met with a consensus and the support of Irish Catholics and have a vast proportion of European and world public opinion behind them.

Capanna

If we really want peace between these two nations, both of which are Members of the Community, if we really want to put an end to this bloodshed, if we really want the rights of man and of peoples to be respected, then there is no alternative, Lord Carrington, to withdrawing the British occupation troops from Northern Ireland, as the majority of your own public opinion in the United Kingdom now recognizes.

If it is right for the Soviet Union to withdraw its troops from Afghanistan, it is equally as right for Britain to withdraw its own from Northern Ireland.

President. — I call Mr Gondicas.

Mr Gondicas. — Mr President, I want to congratulate His Lordship on his new assignment as President-in-Office and to assure him that he will have the full support of most of us, if not all. It is a happy coincidence that under the British Presidency we are discussing the report of our British colleague, Lady Elles. Can His Lordship be more specific on the approaches the Council will effectuate under his presidency to achieve a common European foreign policy? In that respect, can Lord Carrington comment on the Community attitude towards the latest development in Turkey? I must say that on that point Lord Carrington's answer to Mr Fellermaier's question yesterday went, much to my distress, far beyond any possible expectations as an answer on behalf of the Council.

Inflation, unemployment and energy as well as the younger generation are common problems on both sides of the Atlantic. Does Lord Carrington foresee a possibility of getting closer with the US to face our common fate in the Western world and if so, can he possibly describe the most constructive ways of doing that?

It is true that His Lordship made a delicate and very diplomatic statement on his deliberations in Moscow on the Afghanistan issue. However, I consider that statement far from being satisfactory, and I want to ask him whether or not he believes that the Russians will probably come up with another proposal embodying their intentions or have already decided to start another round of negotiations. Last but not least, does His Lordship want to comment on how he feels the Council will cooperate effectively with the Commission and the other constitutional organs? Is Lord Carrington ready to pursue a new policy in that respect?

President. — I call Mr Ripa di Meana.

Mr Ripa di Meana. — (IT) Mr President, the European Council's proposal on Afghanistan forms an

acceptable framework for reaching a political solution to this crisis. It is a proposal which is cleverly worded because it distinguishes between the various problems which face us. The fact is that the search for a political solution to this problem amongst the Afghans themselves will only be possible when the problem of outside interference has been solved.

What forms does such outside interference take? The most obvious and glaring example and the one which is uppermost in all our minds is that of the invasion of this unfortunate country by 100 000 Soviet troops. The second glaring case of interference is again Soviet in origin, namely that of the presence at all levels of the Afghan administration of thousands of Soviet 'advisers' who replace the local civil servants in important sectors. Everyone knows only too well that the person who shapes Kabul's initiatives in the diplomatic field is not the Minister of Foreign Affairs, Mohammed Dost, but the Soviet 'adviser', Mr Sefrancuk. Only after all these points have been looked into will we be able to discuss the question of possible interference by other parties. We must realize that the aid given by Pakistan, Iran or China to the Afghan resistance movement is no more than the direct result of Soviet interference. We cannot put these instances of interference on the same plane, since there can be no similarity for the oppressor and the rebel or for the occupier and the resister.

The first problem is not, as the Soviets would have us believe, the question of formally recognizing the Karmal government. It is common knowledge that Quisling governments always seek to be legitimized by foreign countries when their own people have refused them such legitimacy. I see no objection to representatives of this regime taking part in a discussion among Afghans, but they must do so in their rightful position which is very clearly that of a tiny, weak minority of Afghanistan's population, one which closely matches the Parcham current of opinion in the Communist Party. The real problem is, on the contrary, the recognition of the resistance movement. We must remember the Afghan resistance movement because it needs all the help we can give in order to maintain what is a true and widespread insurrection, a real war of liberation in the same way that Algeria and Vietnam were wars of liberation.

This is why we cannot simply content ourselves with putting forward diplomatic proposals, or simply suggesting holding international conferences. That way we will end up by merely surrendering ourselves up to good will of the Russians. In that case the solution of the Afghan crisis will take place, if not exactly when they want it to, at least at a time of their choosing and on their terms. If so, the solution will not be a satisfactory one.

On the other hand, if we, in parallel with the diplomatic steps being taken, could give our active support to the Afghan people, we could hope to see a change

Ripa di Meana

in the balance of power, which would create amongst the Soviet leadership an irrespressible desire to get out of Afghanistan which is the only thing that would permit an honourable and fair diplomatic solution to the problem. The Russians said to Lord Carrington, on Monday, that the proposal he put forward was not realistic. But the Russians who are very down-to-earth people are well aware that it is realistic to foresee that the occupation of Afghanistan will cost them increasingly more in terms of men, money, military equipment and political isolation. It was already our moral duty to help the Afghans. Now it has become a strategic imperative, forced on us by the decision to contribute towards a diplomatic solution.

A year ago, on 31 July 1980 to be precise — at that time he was only a potential candidate for the Presidency of the French Republic—François Mitterand stated 'the Vietnamese resistance movement was recognized by many countries. Why should we not do the same with the Afghan resistance movement? Should the Soviet troops not withdraw then this recognition will become inevitable'. This was said one year ago and withdrawal has not yet taken place.

Mr President-in-Office of the Council, the time has come for a move in this direction.

President. — I call Mr Puletti.

Mr Puletti. — (IT) Mr President, ladies and gentlemen, the very moment at which Britain is taking over the Presidency of the Council coincides with two significant occurrences in the political life of the European Communities. They are two different events, but they should remain linked from both a political and an operational point of view. The European Council in Luxembourg, which has just finished, while on the one hand stressing the commitment which must be made towards combating some of the causes of Europe's malaise, on the other reaffirmed the importance of political cooperation and the role which the Community can play when it speaks with a single voice.

The debate on the institutions, Mr President, which is taking place at the moment, ought to mean in the medium term that Parliament, which is the direct expression of the aspirations of the peoples and democracies of Europe, should become more and more aware of its own role and of its function within the institutions. This was also referred to in the declaration after the 1974 Paris Summit, at which the Heads of State and Government underwrote the commitment to 'broaden' the powers of Parliament.

But, leaving aside such declarations, the fact remains that throughout history the assumption of powers by democratic Parliaments has stemmed from a gradual process of expansion whose inspiration and legitimiza-

tion were drawn from the people, and the British Parliament is not what it is today because of the concessions monarchs have seen fit to make!

We listened very attentively to Lord Carrington's introductory speech on the Council's programme, in the certainty that the spirit and the determination to be found in his statements will be backed up later by specific moves. In the meantime, however, we cannot keep our peace on a number of contradictions we have noticed in the first steps taken during the six-month term of office.

The statements made on the various Community policies seem to us to evade the fundamental issue of a reworking of the present budget and the question which can no longer be put off, namely a sufficient increase in 'own resources'.

The Community budget ought to meet all the demands of the various Community policies. It remains an instrument for achieving policies of harmonization, convergence and increased integration. We should beware of putting the cart before the horse and seeing our policies as a function of the budget!

The second contradiction, and one which we consider even more serious from a political standpoint, is that of the Heathrow mini-summit, which took place on the eve of the visit to Moscow by the Secretary of State, Lord Carrington, and which this Parliament cannot regard as a political act of the President-in-Office of the Council of the EEC. The unease which this act provoked is far greater than the trust we can place in the statements of good intent or than the aspirations which each Member State has a legitimate desire to see answered.

How can one forget Italy when talking about Mediterranean policy or the Euro-Arab Dialogue, since through its very position and its traditions Italy's role is pre-eminent in such matters? How can it be forgotten that our Community is a Community of Ten and that we as, Members of Parliament, must answer to our electors for our ability to imbue inter-institutional relations with a political significance which has to be the fruit of genuine cooperation and not an empty ritual performed in order to meet the obligations of the Treaties.

Just as it is unacceptable for us to have a two-speed Europe on the social and economic fronts it is equally as short-sighted to believe that there can be a range of speeds where the external relations of the Community with other countries are concerned, whether they be Eastern bloc or Western bloc countries. The political and economic happenings of the last few years ought to remind us of how many battles we have lost because of our supposed, and real, divisions.

Puletti

Mr President, as a lead-up to my conclusion, I should like to draw everybody's attention to two aspects of the widening gap which is opening in this Community, which is so rich in goodwill but too often grinds to a halt because it fears to dare and to achieve true political, economic and monetary union.

Integration is under serious threat from the increasing imbalances in the Community. Regional policy reveals, with figures which speak for themselves, to what extent the disparities are continuing and growing. Social policy is still the poor relation of all the policies yet to be initiated. Industrial policy programmes do not hold out any prospect of a truly integrated future for Europe. This is all the more serious when at the same time we state that we are in favour of enlargement. We should beware of building up hopes which we are unable to satisfy, and which we are very far from having made any specific and solid preparation for!

My second point concerns education and youth employment policy. The institutions must be able to act and put an end to the unacceptable situation of growing unemployment. We clearly state here and now that we should beware of widespread and drawn-out social unrest! Should this become political unrest, then we may well no longer be in a position to find any remedy for it.

President. — I call Mr Israel.

Mr Israel. — (*FR*) Mr President, I should first and foremost like to ask the representative of the President-in-Office of the Council to pass on our best wishes to Lord Carrington for a successful mission. Lord Carrington was the engineer of peace in Zimbabwe, could it be that he will be the man to bring peace to Afghanistan? That is my fondest wish. But, today, I should like to dwell more specifically on the Middle East problem and I should respectfully like to draw the new President-in-Office of the Council's attention to the conclusions of the Van der Klaauw report.

Mr Van der Klaauw showed a considerable desire to succeed in the mission entrusted to him. He came to a number of conclusions. Firstly, he felt that the Camp David agreements should be viewed in all their aspects and be accepted as they stood. But the only point which we could glean from Lord Carrington's speech, I am sorry to say, was that the problem was one of not hurting the Americans and that, in Lord Carrington's view, the Camp David agreements seemed to have little else to recommend them than the fact that they might prevent a breakdown in relations with the Americans. In fact, I feel that these agreements ought to be examined in their entirety and that we should ascertain exactly what result they might lead to.

In particular, these agreements have a section devoted to the Palestinian question, and contain a number of points which might help to find a lasting, overall and fair solution to this question. It is from this standpoint, Mr President, that the Palestinian question should be viewed.

Why is this? Primarily in order not to leave President Sadat out in the cold, in order to permit this peacemaker, who has already expressed in this House his fellow-feeling with us, to work to promote the peace process which is so dear to Europe. I shall now pass on to another point in Mr Van der Klaauw's conclusions. It is my view that we ought to tone down Europe's vigour in seeking a peaceful solution to the Middle East problem. I am well aware, as I just said, that Lord Carrington would like to be the man who brings peace to the Middle East. But we must keep an open mind on this matter. Firstly, the Venice Declaration contains a legal inaccuracy — I must stress this to the representative of the President of the Council — which is that the PLO is considered in this document as necessarily to be involved in negotiations whatever the basis for them and with no strings attached. This brings us up against a major stumbling-block. And I am sure the British representative will not contradict me today since yesterday all Lord Carrington served us up was a rehash of the Venice Declaration. So, let us keep an open mind, a declaration such as that made after the Venice Summit should be viewed as flexible and we should not cling blindly to the mistaken wording which was chosen then.

Before winding up, I should like to touch on a fundamental question. Mr Van der Klaauw made it perfectly clear that he felt that any further contact with the leaders of the Middle East countries was pointless. And I stress: pointless. He stated that Mr Thorn and he had exhausted all the possible ways of contacting Middle East leaders. However, while listening to Lord Carrington yesterday, I got the impression that the British Presidency was preparing a new series of meetings in the Middle East. Once more, I must draw your attention to the fact that we should not contradict ourselves. Let us, as Mr Van der Klaauw asks, examine to the full the conclusions which have been reached.

In conclusion, I would call upon the British Presidency to be somewhat more modest when referring to the Middle East. I should like to remind it that the Euro-Arab Dialogue, which at the outset was intended to be purely economic and based on energy questions, not only no longer deals with the energy aspects of the Middle East situation but has an extremely dangerous political content. I should therefore like to remind the House of the resolution which we passed during President Sadat's visit. It is out of the question for Egypt not to be involved in the Euro-Arab Dialogue. I wish to remind the British Presidency of this resolution and to stress its importance.

Israel

Finally, I would once again offer my best wishes to Lord Carrington and should like to assure him that my group will cooperate with him, but I should also like to urge him to be on his guard when dealing with political matters.

President. — I call Mr Collins.

Mr Collins. — Mr President, the Socialist Group has given me time in this debate because it believes that the environment is a political issue which deserves mention and needs to be raised in this kind of context. It recognizes that it is right to have the high talk of foreign affairs and the great prestigious affairs of Europe, although I do wish that Mr Capanna would stop treating Northern Ireland as if he knew something about it. However, many people in the Community are not convinced that their everyday interests and their future health and welfare are at the centre of the arena. They feel that somehow or other issues that are vital to them are being left out.

Environment and the other work of my particular committee, consumer affairs and public health, are such issues. They are at the centre. They are potentially of great relevance to ordinary citizens. They can fire the imagination and the vision of many people, especially the young people in Europe these days, but they also supply the need and the demand for relevance in the work of the Community. That surely is something that must be at the heart of what we are trying to do. We must therefore emphasize the central importance to Europe, to the world indeed, of a healthy environment and we must emphasize too the fundamentally international nature of the intervention needed to ensure that such an environment can be bequeathed by us to future generations.

I would like to make one or two suggestions for the course of the United Kingdom's Presidency. It ill becomes me perhaps to make constructive suggestions to a United Kingdom Presidency which, I suppose, is really headed up by a Prime Minister with whom I have been known to have one or two disagreements. Nonetheless, if we can distract her from one or two courses of action and make her constructive, then I will be quite happy.

First of all I think that we definitely need a solution now to the Seveso disagreement in the Council. We have been waiting for a solution to this now for over a year. The essence of the difficulty is the reluctance of some Member States to agree to the transfrontier obligations of the directive. But surely this has got to be overcome in a Community in which the interests of people and not simply national blocs are the basis for action. The same can be said of current negotiations on the problems of mercury discharges. Frankly, I cannot see why the United Kingdom Presidency cannot call a special Environment Council in

September or October to deal with these two up until now seemingly intractable problems. A special Environment Council is needed so that agreement can be reached. In other words, I don't believe that one Environment Council at the end of the presidency is adequate. I think we have to go further than that, and to have only one such Council meeting right at the end of the presidency is a sure recipe for, at best, very slow progress.

In the December Council proper attention could then be paid to the need for sound progress and environmental impact assessment. I hope the United Kingdom will relax its opposition on this and take the advice of its own House of Lords which is very constructive indeed. I would also like to see the United Kingdom Presidency support a third action programme on the environment, because I think that is needed as a framework for future environmental protection work. I hope the Commission will be encouraged by the Council to proceed along these lines.

During the UK Presidency the 1982 budget will be much debated and presumably decided at the end of the year. I hope that during these debates the Council will give a strong and continuous commitment to proposals that will allow all this work to proceed. We need positive support for an Environment Fund. We need positive support for research and extra staff for this department in the Commission. We need the Council's support for this.

Finally, I think it will be a very poor performance if during the six months the Health and Consumer Affairs Ministers do not meet, because workers and consumers are as much a political reality in Europe as farmers or financiers or foreign affairs experts. They are certainly much more of a political reality than some of the fanciful things we have heard about Northern Ireland from Mr Capanna. The United Kingdom Presidency has got to do something about them and thereby demonstrate that the fine words spoken in this debate and the fine sentiments expressed by the President-in-Office himself yesterday are backed by real commitments and are not mere camouflage for another six months of snail-like progress in no particular direction.

Mr President, I would like to wish the President-in-Office of the Council well and to wish the Minister that is here today well in the affairs of the next six months. But I have to say that the Committee on the Environment, Public Health and Consumer Protection at any rate will judge their success in terms of the ability and willingness of the Council to recognize that, for the Community to be an accepted part of our political landscape, it must be relevant to the lives of the people. It is one thing to talk about Afghanistan, but if we are going to have support within Europe, then we must remember the workers here inside Europe too.

IN THE CHAIR: MR KATZER

Vice-President

President. — The debate is closed.

4. *Institutional relations (continuation)*

President. — The next item is the continuation of the joint debate on institutional relations.¹

I call the Council.

Mr Hurd, President-in-Office of the Council. — It is a sadness for us all, Mr President, that Mr Bangemann is not here this morning because of illness, and I would like to ask you to pass on my best wishes for his recovery. The answer to the oral question he has tabled is as follows. As it has said on several occasions in recent years in statements to the European Parliament, the Council can confirm that all its decisions are taken in accordance with the provisions of the Treaties, in the light of the Luxembourg conclusions of 28 and 29 January 1966 and the Paris communiqué of 9 and 10 December 1974.

To enable our discussions to be seen in the right perspective, perhaps I could first recall the provisions of the Treaties which lay down the voting rules in accordance with which Council decisions are taken. If we confine ourselves to the EEC Treaty, it will be seen that basically three cases can arise. The first case is when the provision which serves as the legal basis does not lay down a voting rule. The decision is taken by a simple majority pursuant to Article 148 (1). The second case is when the provision which serves as the legal basis requires a qualified majority. In this case Article 148 (2) applies, as amended by Article 14 of the Act concerning the conditions of accession of the Hellenic Republic and the adjustments to the Treaties. The third case is when the provision which serves as the legal basis requires unanimity. Article 148 (3) of the Treaty then applies.

I would add that in the first and second cases it should not be overlooked that, pursuant to the first paragraph of Article 149 of the Treaty, an act of the Council cannot amend a proposal from the Commission unless the Council acts unanimously. Furthermore, I would point out that the fact that Council decisions may be taken by a simple majority or by a qualified majority does not prevent the members of the Council from continuing their efforts to find solutions on which general agreements could be obtained.

¹ See debates of 8 July 1981.

With regard to the question of whether the Council could define the concept of vital interest, I would answer the honourable Member by saying — at the risk, I know, of disappointing him — that it would not be opportune in the Council's view to try to arrive at a general and abstract definition of this concept.

Mr Capanna. — (IT) Shame on you! What about Northern Ireland?

President. — I call Mr van Aerssen.

Mr van Aerssen. — (DE) Mr President, on behalf of my group, the Group of the European People's Party, I should like to take the opportunity of this debate on institutional relations to explain what strategy we shall be adopting in the years between now and 1984, in other words, until the time of the next direct elections to the European Parliament. Our thinking is based on four main pillars, if I may put it like that.

The first such pillar is our policy of a step-by-step approach; the second pillar is the renewed attempt to make a breakthrough to what is our common aim, something we have always advocated — the establishment of European Union and the continuation of this dynamic process. The third pillar, Mr President, is the attempt to use new instruments to develop the European Treaties in such a way as to cover everything we have in mind. And the fourth and final pillar on which our strategy is based is close cooperation with the national parliaments, given that, without such cooperation, we shall never succeed in setting up a federal system. I should like to take this opportunity to thank the new Member of the Commission, Mr Andriessen, who is responsible for these matters, most sincerely for the understanding he has shown and for the cooperative attitude which has emerged on various occasions in Question Time and in various statements and comments on this subject.

Let me begin with the first sector and the first pillar of our strategy — our step-by-step approach. What we mean by that is that this House, as a directly-elected Parliament, must make full use of all the opportunities offered by the existing Treaties to put those Treaties into effect. The new sense of legitimacy bestowed on this House by direct elections — the first internationally organized election in the history of the world and as such a historic event — gives us the right to do anything which is not expressly forbidden by the Treaties. I also believe we have a right to occupy the grey areas of unallocated power and that we can base our claims on the will of the people and our duty to give effect to that will here in this House. In my opinion, we have the same right as in any other democratic society to take the initiative. Of course there will always be a power struggle, because democracy has always been born of struggles with the powers that be, and we are fully aware of where the power lies in the

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Community. No one can blame us for adopting this step-by-step approach and nevertheless utilizing our right of initiative to the full. We realize that we shall thereby be touching on certain areas for which the Commission is responsible, and we acknowledge the fact that the Commission has offered to engage in a fair dialogue with us to define these areas and to discuss the whole question in the context of our step-by-step approach.

My group therefore supports everything in the reports produced by Mr Hänsch and Mr Van Miert. We think these reports important precisely because they clearly bring out our proposed step-by-step approach. We also think it right for the instrument of the joint declaration of Parliament and the Commission — or Parliament and the Council — to be used in such a way that the institutions enter into voluntary agreements within the terms of the Treaties, so as to enable the Community to make progress. For that reason, Mr Hänsch, we have tabled only very few amendments. Our aim in so doing is simply to define certain points rather more clearly, and we do not anticipate any problems with the amendments.

We also attach great importance to extending the conciliation procedure within the terms of this step-by-step approach, and we believe it should be possible to reach an agreement with the Commission on this matter with the aim of adopting a flexible approach which will enable us to make realistic progress.

Summing up then, we support the reports produced by Mr Hänsch and Mr Van Miert, which should on the whole serve to implement our policy of a step-by-step approach. We hope that the joint institutional agreement with the Commission will come about at the end of this year. At any rate, we have placed such an agreement on offer, and we hope that the Commission will accept.

The second pillar of our political strategy is a renewed attempt to achieve European Union, by which we mean that we should use all the opportunities at our disposal to reach political decisions on basic matters with a single political will and a single voice. I shall do no more than mention in passing the subjects I have in mind, as they tend to be the same old chestnuts which turn up over and over again: the development of the European Economic and Monetary System, the development of a European policy on economic convergence designed to reduce social and regional tensions, measures to cope with the southward expansion of the European Community, a common European energy policy worthy of the name, a research policy which will enable us to meet the international challenges facing us and, last but not least, the further development of European political cooperation.

My group would like to thank Lady Elles most sincerely for dealing with an essential aspect of this subject. We will be tabling only one amendment to her

report with the aim of including what the foreign ministers said in Venlo about making security and defence policy an element of foreign policy cooperation. Otherwise, my group gives its wholehearted support to Lady Elles's excellent report.

The third pillar of our strategy is — as we said as long ago as September 1979 — the need for a new treaty. What we need is a new European basic law. We are a constituent assembly for Europe and, as directly-elected Members of this Parliament, installed in this House by a process of historic dimensions, we have no qualms about saying that we see our job as the same as that done by the Members of the French National Assembly in 1789, the American citizens who set up the American Congress and formulated the American Constitution in 1776 and the German Members of the Diet who voted in the basic law in the Saint Paul's church in Frankfurt in 1848/49.

We want this constituent assembly, we want to see a further development of the Treaties of Rome, as we said in our Resolution No 347 in 1979. We have made it clear, Mr Spinelli, which twelve areas should be covered by a European constitution.

I should like to add a word of praise for Mr Spinelli for the initiative he has taken. We had hoped that our proposals would be put into effect by the sub-committees on electoral law and institutional questions.

Unfortunately, our newly-elected Parliament had so much work to do that it was not possible to fulfil this wish in the form envisaged. The logical consequence as far as my group is concerned is that for the next legislative period — to be decided on in December — we should really take the bull by the horns and set up a new committee with the task of formulating the new treaties. Mr Spinelli will no doubt appreciate that what we have in mind is something going beyond his original idea. What we are after is a standing committee rather than an *ad hoc* committee, and something we called for in our Resolution No 347 in 1979, i.e. a European constitution covering these twelve areas — and disregarding for the moment the proposals made by Mr Hänsch and Mr Van Miert, i.e. the step-by-step approach — which should likewise be drafted by this standing committee. That is our third position.

We are convinced that we can achieve all that. We have the necessary political will and we have the power which rests on the fact that the people of Europe are behind us. Politics is not only a matter of coping with day-to-day problems; we must also set our people targets which will catch their imaginations, and give them a lead from which they can take their cue. The important thing is that we should take care to explain exactly what we are doing. And that applies particularly to the younger generation.

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It also applies in particular — and this is the fourth point — to the national parliaments. We must convince our national parliaments that Europe is being constructed according to a system of 'subsidiarity' in which there is a division of responsibilities. Unless our colleagues in the national parliaments are prepared to give us their support, there is bound to be a great deal of tension. We are not trying to form a new united front with the national parliaments, but we do want to coordinate this strategy with the national parliaments from the word go, and invite our colleagues in the national parliaments to engage in a dialogue with us.

Those are the four points I wanted to reiterate briefly on behalf of my group, and provided we adhere to these four points, we shall achieve our aim — a dream shared by my generation — of bringing European Union to fruition.

President. — I call Mr Christopher Jackson.

Mr Christopher Jackson. — Following Mr van Aerssen, Mr President, it is a pleasure both to agree with him and to congratulate him on his remarks. In John Bunyan's famous book 'The Pilgrim's Progress' there is a moment soon after the start when Christian, the hero, finds himself in the Slough of Despond, stuck and demoralized. Despite all the fine words about European progress, that seems rather the position of Europe today. The European Community, which started with such bright hope soon after the war, finds itself stuck in the mud with progress exceedingly difficult. I believe our European Slough of Despond is less due to economic problems than to a trend towards nationalism at governmental levels which particularly finds its expression in the Council of Ministers.

This trend had started even before the Luxembourg Protocol, and with the practice of unanimity it has gathered momentum, so that today, to quote from the recent report of the Three Wise Men,

there is no doubt an atmosphere has developed in which, even on minor issues and in quite humble circles, States can obstruct agreement for reasons which they know well to be insufficient, but which are never brought into the open, let alone challenged.

That is an appalling state of affairs. A few weeks ago a Dutchman, Dr Dekker, vice-president of the enormous Philips company, remarked that despite the Community's great potential power it remains a loosely-knit combination of individual States which put their own interests first. He said

the creation of an integrated and united Europe, as foreseen in the Treaties, which has a driving force at all levels, is an absolute necessity today, even more than in the fifties.

And Dr Dekker went on to ask who should give the lead in this. I give him the answer. It is this directly-elected Parliament that should take the lead, for it is the only institution in the Community that represents parties both of government and of opposition and democratically represents the people of Europe. We are uniquely qualified to point the way forward.

Sir Winston Churchill said in a celebrated speech in Zurich just after the war, 'We want to build a kind of United States of Europe'. Well, of course, we must use the existing Treaties to the utmost. But since I joined this Parliament, I have come to believe that the longer way forward for Europe inevitably leads us to a federal solution. There is no other way to keep the Community functioning properly through the periodic outbursts of nationalism. Indeed, we can see the embryonic makings of a federal approach in our current Treaty.

The Council of Ministers could develop into a joint legislature with the Parliament. The Commission is already our civil service, the Commissioners an embryo government, but an unsatisfactory one, because they are appointed by Member States and do not represent a particular political persuasion or coalition. Our people will not feel that they have a full sovereignty in Europe until they know that the continuation or not of a European government depends on their support and theirs alone, transmitted through their representatives in this Parliament.

How far such dreams are from reality, we will never know until we submit them to the test of debate. But of one thing we can be sure — the current situation is not good enough. It does not serve our people well. It must be changed. I referred, Mr President, to Europe's Slough of Despond. But we must remember that Bunyan's hero, though stuck and demoralized, nevertheless managed to struggle on past the Slough of Despond, and many other difficulties, to achieve his aim. It has been good to hear speaker after speaker in this debate express determination to ensure progress for Europe. Few great tasks in history have not been beset by difficulties, have not demanded courage, diligence and determination to carry them through. The 'crocodile resolution' proposes in effect a constitutional committee to review the Treaties. I hope that this Parliament will overwhelmingly agree to take that next small step forward into the unknown and towards the accomplishment of our task in building a truly united Europe.

President. — I call Mr Denis.

Mr Denis. — (FR) Mr President, I should like to add my contribution to this extremely important debate on the institutions by trying to seek a real improvement in our work. Together with my colleagues I was elected on the basis of proposals aimed at seeing that Parlia-

Denis

ment exercised the powers attributed to it by the Treaty of Rome and reiterated in the French Law passed in June 1977.

We should like to see Parliament increasingly closely involved in the preparation of all the debates, whatever their concern, which take place in the Community and, particularly, to exercise to effective control over all the activities of Community bodies. This is a wide-ranging field, as we can see clearly after two years' work.

It would be a lasting blow to this House's credibility to try to encroach on the powers laid down in the Treaties for the other European institutions, and particularly on those of national parliaments and other sovereign national institutions.

It is for this reason that we cannot seriously entertain the proposal in Lady Elles' report for the setting up of permanent secretariat for political cooperation, particularly since we are all aware that their Venlo meeting the Foreign Affairs Ministers of the Ten totally rejected this motion.

How can we hope for our work to be esteemed if we persist in taking it upon ourselves, thereby violating the Treaties and the prerogatives of national parliaments, to debate — as it is suggested we should — questions of European defence, and even to propose that the Community should be linked to the NATO military organization. Lord Carrington himself in his speech yesterday denied that there was any legal foundation for such initiatives.

In other words, we do not approve the various types of initiative aimed at overstepping the limits of the Treaty of Rome. Do I detect a little more realism in Members' views when I note that some of these reports represent a small backward step in relation to the views adopted in the past in this House, for example when issue was taken with the rule of unanimous decisions. As you all know, even on the pretext of changing the way it operates, we are totally against any tampering with this rule which is at present the basis for the Council's work and which ensures that the fundamental interests of each Member State — thus of France too — will actually be taken into account. We are against this for reasons of principle, such as independence and national sovereignty but also, and this has not been sufficiently stressed, for reasons of real efficacy.

Does all this mean that we have given up the idea of improving the way Parliament works? No in the least. We want to see consultation and concertation between the various European institutions, but we reject the substitution and intermingling of powers.

It is with this clarification in mind, which in our opinion is an essential one, and in this spirit that we shall adopt a stance on all the moves aimed at enabling Parliament to monitor Community policies and

control their effects, the means used to apply them and their consequences whilst respecting the Treaties.

I should like to add another point on the subject of the consultation which is needed. To enable Parliament to play its part to the full, absolute priority must be given to increasing cooperation with the main parties concerned in the Member States, namely the workers and their trade unions, and an end must be put to lingering discrimination. This Chamber too often works in isolation from the concerns of workers. Efforts must be made, both here and in the Community at large to take account of the views of trade union organizations representing millions of workers in the Ten. From this standpoint, Mrs Baduel Glorioso's report makes some interesting suggestions. A positive contribution by Parliament towards progress in increasing the participation of workers and in industry and agriculture affairs would, we are firmly convinced do far more to stimulate the interest of public opinion in our achievements than futile attempts to push the range of our activities outside its institutional framework. On several occasions, we have proposed that public hearings should be organized on the major economic and social problems facing the Community. I should like to state that given our new legislative and governmental responsibility in France, we shall put forward a plan for systematizing the consultation of trade union organizations, as well as for breathing new life into the National Assembly's role in the process aimed at establishing the French Government's stance in Community negotiations.

We must also point out that we cannot approve any measures which might jeopardize the rights of national parliaments. On this point, I should like to remind you of the extremely strict provisions of French and other legislation on the organization of direct elections to the European Parliament, under which any action taken by a European institution which goes beyond the powers laid down in the Treaties would be null and void at national level. We must remember that it is not our job to work against national institutions but to cooperate with them in an atmosphere of mutual respect.

These, Mr President, are ideas which would help this House to turn its attention to the real problems facing millions of workers: unemployment, inflation, the economic future of Europe, friendly and frank cooperation, development and the fight against hunger in the world. Were we to follow this path we would regain that credibility of which we have lost only too much by taking it upon ourselves to deal with all sorts of problems, instead of focusing our work on what really worries people in Europe.

President. — I call Mr Bettiza.

Mr Bettiza. — *(IT)* Mr President, ladies and gentlemen, there can be no argument that this debate

Bettiza

on institutional matters comes at a very appropriate time, and gives this Parliament an opportunity to have a hand in the process of institutional reform which is going to be needed if we want Europe to have a future. The governments of Member States seem unaware of the ever-steepening slippery slope on to which they are leading the Community, and it is therefore up to this Parliament, by right of the direct elections, to try and stop this completely negative tendency.

What guarantees the effectiveness of the committee proposed in the Abens motion is the fact that it will represent all the shades of opinion existing in this Assembly. It is up to them to define what form reform should take, which means what sort of Europe we are hoping to build: the fact is that people want a great many different Europes, and they are not all necessarily good. For that reason I think it would be no bad thing if we started to consider now some of the arguments which will be heard in the — more or less *ad hoc* — committee's discussions.

I have a great deal of respect for the leaders of the 'Crocodile' — to the extent that I am one of the signatories of the motion for resolution. It is nonetheless true that if we look at the political colour of some of the most influential members of this club, we see that they are not all of the same persuasion. This is not Ancient Egypt, and we are not obliged to worship crocodiles, and expansion and unparalleled successes must always be accompanied by a nonconformist, in other words critical, view. That is why I welcome the initiative but repeat that, for the moment, we still have to define what sort of Europe we want. For myself, it must be firmly anchored to the West, with no neutralistic hankerings.

I believe that we must all do our utmost to bring about the reforms which the committee proposes, for they will be the most important achievement of this Parliament as such; nevertheless we must not use the committee as a springboard for the launch of new groups — a federally-inclined group, for example — at the expense of the natural political groups we already have. It is thanks to the 'Crocodile' that we have reached the agreement which was needed to get the initiative off the ground. It is now up to the various political groups represented here to complete the task by drawing on the many philosophies which guide them.

It is only in this way that the reform we all hope for can have any value, through proper discussions between political groups, and not through the work of hybrid groupings which, in any case, would have no electoral or popular backing.

President. — I call Mr Bournias.

Mr Bournias. — (GR) Mr President, ladies and gentlemen, I shall only be dealing with the report by Mr Diligent on cooperation between the European Parliament and the national parliaments. Last week I had the honour to participate in the Luxembourg meeting of the Speakers of the national parliaments as a representative of the Greek Parliament, and in a moment I shall have the opportunity of reading you a passage from the joint communiqué which was issued afterwards and which is very optimistic compared with the pessimism about our work which is reflected in the speeches I have heard since the day before yesterday in this House. The foundation of this cooperation between the European and the national parliaments was laid at a similar meeting in The Hague in 1978 by the late Mr Vondeling, the then Speaker of the Netherlands Parliament. A similar meeting was held last year in Madrid, and on the basis of the report by Mr Vondeling, the Speaker of the French Senate, Mr Poher, has pursued the subject so that this year at the Luxembourg meeting we had two reports before us, that by Mr Poher and that by Mr Diligent, as well as the paper drawn up on the same subject by the Secretariat of the European Parliament together with the secretariats of the national parliaments.

There is no need for me to stress to you the importance and value of this cooperation, since I believe that no-one in this House will think otherwise, and so I am sure that we shall unanimously adopt the Diligent report. It is true, ladies and gentlemen, that the work of the European Parliament is not something which makes an impression on the public at large, and I also think that all of us are aware and agree that there have been, are and will be many difficulties before this institution finds the echo and recognition it requires. We must, however, admit that the work which has been done in various areas in the two years since direct elections is really satisfactory both according to the statements delivered yesterday by the President of Parliament, Mrs Veil, and according to the report drawn up at their latest meeting by the Secretaries-General of the national parliaments and the European Parliament. This report is very encouraging for the future and for the progress of this undertaking. I should like you to consider these statements as my answer to the pessimistic points raised just now by the British Member, Mr Jackson, whose attention I would draw to the foreword by Mrs Margaret Thatcher to the publication by Mr Scott-Hopkins' group entitled *Here to Stay*. Mrs Thatcher says, or rather writes:

Indeed it would be folly for Britain to turn her back on Europe. This would only result in a weaker Britain and a weaker Community.

It is with particular satisfaction that we are following the considerable efforts which are being made in the field of information which, together with the work of translation and distribution, to the parliaments of the Member States, of the various documents relating to the questions dealt with by the European Parliament,

Bournias

is one of the most fundamental and useful tasks especially at the present time. As I said before, I think that the public at large is waiting for impressive results in order to arouse its interest, something which does not happen often in our work, nor in work of the various Parliament departments. For this reason the systematic information about the permanent and painstaking work which is carried out . . .

(The President interrupted the speaker)

. . . After that interruption by the President I shall not now go into the recommendations of the Diligent report and shall not read you the communiqué of the meeting of parliamentary Speakers. I would simply request, Mr President, that this communiqué be distributed to the Members for their information, since it is very optimistic. It is sure to be worthwhile, and I sincerely it can be distributed as quickly as possible.

(Applause)

President. — I call Mr Ferri.

Mr Ferri. — *(IT)* Mr President, ladies and gentlemen, I am one of those who put his name to the motion for a resolution which Mr Spinelli has put to this Assembly. I will be quite candid and admit that when I put my signature to the motion for resolution I had my doubts and hesitations. All the more reason now for telling the House that today, as far as I am concerned, those doubts and hesitations have been overcome. I am convinced now of the validity and of the justice of the proposal, and I am convinced that when Parliament comes to the vote at the end of this debate, the most important vote will be the — I hope, large — majority in the political groups and among all nationalities by which Mr Spinelli's proposals are adopted.

How, you may ask, did I reach these conclusions? Let me say straight away that I have no wish to decry the noteworthy and important work performed by the Political Affairs Committee, to which the Legal Affairs Committee — which I have the honour to chair — contributed with a discussion of its own and with opinions. I should like particularly to stress the importance of the report submitted by my colleague Mr Hänsch. For it seems to me, ladies and gentlemen, that we are now at a turning point in our own role and in our political activity. We must demonstrate that Parliament is capable of proposing amendments to the existing Treaties. We all realize that such amendments must follow the constitutional procedures laid down by each Member State, and will only come to fruition if they gain the approval of national governments and parliaments; that in no way diminishes the onus upon us to take the initiative.

The reason, ladies and gentlemen — and I think we all agree — is that if we want to give fresh impetus to

European integration, if we want to see Europe make more progress, we shall have to change the balance between institutions laid down by the existing Treaties. And change means giving a bigger role to Parliament. This is not special pleading — anyone can say that we are Member of this Parliament, and so it is natural that we should be demanding more power and a more important role — but because democracy demands that this Assembly, elected by direct universal suffrage and representing as it does the will of the people — the will of the people of Europe — should take a more active role in the legislative process and in the political control of the executive, since these are the historical and present duties of every parliament.

We cannot work towards this with a profusion of documents and reports, even if those reports are politically valid in their own right. Reports on the legal implications of such documents can be made by the committee which it is my honour to chair, but that does not prevent our exercising political judgement when it comes to the vote. However, if we want Parliament's initiative to be vigorous, if we want it to be listened to, that initiative must be concise and of a piece, so as to gain the maximum support across political groups and across nations, so that it can have some impact on the governments and the parliaments of the Member States.

This, I believe, is today the real significance of Mr Spinelli's proposal to set up an *ad hoc* committee: it will enable Parliament to concentrate its efforts and achieve maximum political consensus, so as to show what it considers to be the proper way forward to a democratic revision of the Treaties, giving a greater role to a Parliament which directly embodies the will of the people of Europe.

It is my hope that this evening's vote will allow us to take that road forward.

President. — I call Mrs Gaiotti De Biase.

Mrs Gaiotti De Biase. — *(IT)* Mr President, the debate we are holding today is positive proof of what we have always believed: there is no conflict between a policy of small steps and reform of the Treaties, between changes in the Treaties and changes outside them. The policy of small steps, indeed, if used alone and without long-term objectives, could well become a policy of steps backwards, or even of going round in circles, like people dancing on a very small floor.

There are three fundamental reasons why there is no political sense in contrasting reform within and outside the Treaties. The first of these has to do with the internal cohesion of the Treaties themselves, which were conceived as a dynamic reality intended to open the way to what was expected to be an ongoing process of integration.

Gaiotti De Biase

The second is that we are already outside the Treaties, insofar as a process of retrenchment in Community integration has begun. That retrenchment has a number of forms: the Luxembourg agreement, the growing importance of Coreper, the institutional ambiguity of the European Council. It would be naive to think that this retrenchment can be halted simply by restoring the situation we had before.

The third reason has to do with the nature of the economic and political challenges facing the Community today. Together with the increasing importance of political cooperation, Lady Elles' excellent report highlights the need to renew the institutions which have been responsible for integration so far. However, the economic challenge puts the institutional question into terms which can be answered from within the Treaties. The world economic crisis, the role of new technologies and of economic competition — not to mention monetary imbalances — all call for the setting-up of an emergency Community government with wider powers than those needed to guarantee freedom of movement or a free market, or moves towards social harmonization.

The situation we have today gives more room, and more responsibility, to the free enterprise and creativity of owners of small and medium sized enterprises, but this requires research, infrastructures, monetary decisions and increased interdependence which will increasingly be the responsibility of different levels of authority. This will do away with the old conflict between dirigisme and laissez-faire, just as it will do away with the preoccupation with unified markets — a preoccupation based on an interpretation of the Treaties.

The reports by the Political Affairs Committee — which we approve both in their substance and in their form — make it plain that there is no way in which the Treaties themselves can be used to tackle the problems at their roots. Mr Hänsch, in his excellent report, is unable to define the precise powers of the Council, which vary perilously between legislative and executive responsibilities, and I have tabled two amendments to try to obtain a greater insight into these responsibilities. However, I am under no illusions that we can obtain any real results within the framework of these routines. Such things had to be said about reform of the Treaties; the fact that they have been said by the 'Institutional affairs' subcommittee of the Political Affairs Committee is significant if that means that they are prepared to act along the same lines as those indicated by the Commission in its still fundamental 1975 report, towards the revision of the Treaties proposed by our Group in the Van Aerssen report at the beginning of this session, proposed again today in the Abens and Spinelli proposals, and which will enable this Assembly to fulfil properly the task which now falls to us since the Commission has now more or less abdicated its role as the driving force in the process of integration.

Originally the Spinelli proposal — which I support, as I have done from the start — was based on one pragmatic consideration. The only area in which this House has real, undisputed authority is in the organization of its own work. Because of this, if we limit ourselves to a proposal on procedures, far from restricting ourselves, we are — significantly — placing the Parliamentary initiative at an unassailable level. This is the best possible blend in the mix of utopianism and realism which many are calling for. Only by assuming its own procedural responsibilities can the European Parliament contribute to making the changes we need. When we have done that we can start the debate proper — a debate in which there must be no shadow of doubt that the European Parliament is determined to make progress.

It would, of course, have been better had we started earlier and not spent these last eight months in wearisome negotiation and doubt. It would have been better for all of us. Let us nonetheless welcome the opportunity of this debate, which links the strategy of detailed requests to the Council to that strategy which results from our awareness of a great challenge and a great turning-point.

Mr Jonker and Mr Van Aerssen have already put to you my Group's views on the possibility of a new Treaty. Such a possibility could be brought about by Parliament's procedural decision, which gives shape to the objective of European Union — which is otherwise too vague and elusive.

In calling for full support for this motion from the Christian Democrats, I should like to make one point about full support, so as to ensure that my call is not regarded merely as a rhetorical convention. What I am talking about is our conviction that the construction of a European Union is a pluralistic process. Not only should every democratic political body in Europe be involved in this construction, but we as Christian Democrats have a duty to regard as our goal and our achievement every step forward which results from the genuine and effective involvement of all these political forces — of that general involvement which is essential for the firm European will of this House to become apparent. I would like it put on record that the credit must go to the Crocodile Club for bringing together Members of every political persuasion.

After two years of no little bitterness and of not a few disappointments, ladies and gentlemen, this is the only way in which we will be able to restore our own pride at having been elected to this Assembly by the people of Europe, and our joy in recognizing so many companions in this lofty task, which is part of our most fundamental intellectual heritage.

President. — I call Mr Turner.

Mr Turner. — Mr President, I wish to speak on paragraph 26 of the Hänsch report, which, I believe, is the

Turner

most important paragraph in the resolution of any of these documents.

When Mr Bournias was optimistic a few minutes ago, I am sorry to say that he was being too optimistic, and I am afraid that Mr Jackson, when he was being pessimistic a little while before that, was accurate. At the present moment, only about 50% of the population of the continent of Europe is in favour of the EEC, and only 25% in Britain, and the fact is that if that goes on, in a few years' time there will be no British seats being filled in this Parliament. Now all the unpopularity of the EEC is heaped upon the Commission as Eurocrats and on the Parliament as being ineffectual, but they are scapegoats and the real people to be blamed, the Council of Ministers, escape free. It is because the Council of Ministers will not act and deal with the problems of Europe at the present time that the EEC is so unpopular, but the populations of the EEC don't realize that. They don't see the selfish and irresponsible veto that ministers from all the countries use in the Council of Ministers, and indeed they don't even have to do that; they simply have to shelve measures indefinitely and they don't even have to use their veto. The ministers in the Council of Ministers shamelessly claim the right to veto one measure after another, and they do so because they know that if they allow one minister to veto one thing, then they will have the right to veto something else. They connive at each other's claims to delay the measures that we pass and the Commission puts before them. They connive at this because they know it strengthens their own hand when they wish to stop something themselves. They have gone even further than the so-called Luxembourg Agreement: they do not even have to veto publicly and clearly; they don't have what one might call a public execution of a measure they do not like; they can simply condemn it secretly to life imprisonment in some working-party in the nether regions of the Council, and in that way none of us knows what is going on there.

I therefore believe that this paragraph 26 is most important. It would require ministers who are going to veto a measure to identify what they are doing and to justify it; only in this way, I believe, can we save the Common Market. The fact is that if ministers had to justify their veto, then the voters of their own country would see what their own ministers had done and they could then decide whether the veto that their own minister had applied on some measure did not smooth the way for another veto by another minister from another country which went against their own interests. Then the ten countries could decide for themselves whether or not the ministers were being selfish and cowardly in their shelving of matters by their vetoes, or were really looking after the interests of the EEC and of their own countries. I believe only publicity can put this right, because these vetoes — and I really shouldn't say vetoes, I should say these *de facto* vetoes — these indefinite delays are not imposed on the ground of 'most important national interests' at all;

they are imposed very often simply for the convenience of ministers so that when they go back to their own country and face their own parliaments and their own press, they are not embarrassed by having to explain away some slight advantage that they have given away for the greater benefit of Europe. I believe the people of Europe would understand if they did have to go back and say, 'For the greater benefit of ourselves and for Europe we did not veto this measure although it is not exactly what we should have liked ourselves'.

Well, Mr President, I have no more time. All I will say is that I regard paragraph 26 of the Hänsch report as the most important paragraph this Parliament has discussed this whole week. Most unfortunately, the Legal Affairs Committee, in proposing an addition to this paragraph, cut the paragraph itself out and therefore I cannot vote for the committee's amendment. The Legal Affairs Committee did not intend to cut out paragraph 26, it intended to add a further point, and that is that this Parliament should take the Council of Ministers to Court when it considers that it has misused its veto.

President. — I call Mr Segre.

Mr Segre. — (*IT*) Mr President, I should like to speak about the specific question of political cooperation, from both its theoretical and its practical aspects.

Yesterday the President-in-Office of the Council told us that the British in their Presidency would be guided by three essential principles: renewal, enlargement, and identity. We share this vision, although we are all too aware that to give it meaning and value we need, and shall continue to need a political will which has strength and determination.

Does such political will really exist, and if so to what extent? Often — too often — we have had reason to doubt it; indeed, it is to this very question of political cooperation, which we now have set before us in Lady Elles' report, that Lord Carrington in his speech yesterday gave a prominence which we cannot ignore.

I should say straight away that I have no wish to decry what has been done already in this domain. However, precisely because of that, I can see that we still have a very long way to go before we reach the degree of cooperation which Europe will need if we really wish to respond in unison to all the challenges which we face and to all the demands which are placed upon us. What we want is to find every possible way in which greater continuity can be given to this process — without spawning yet another bureaucratic organization. Even so, I do not think it easy to maintain, as Lord Carrington did yesterday, that — and I am quoting the written text of his speech — 'our failures are partly due to weakness in the mechanisms of polit-

Segre

ical cooperation and partly to the weakness of the commitment to act together'. This, in our view, is a difficult thesis to maintain because we find it impossible to follow in practice the logic of an argument which puts on the same level the weakness of the mechanisms and the weakness of the political will, in other words to put the mechanics before the policy when looking for the causes of failure. We shall not get very far down that road — however much we may improve and change the mechanisms — if our quest is not sustained by a solid political will. That, today, is the first and essential prerequisite.

Even so, we realize all too well that it is not enough merely to talk in abstract terms about political will. The real problem, the heart of it, is the question of what such will involves, what policies Europe intends or does not intend to follow, which attitudes it prefers to take, which real choices, it makes and here we are talking about Europe's role and its identity — about Europe's feeling itself to be a reality which, imperfect and incomplete though it may be, can influence other decisions in the world.

Lord Carrington was right yesterday when he stressed how wide the gap is between the influence which Europe could have on the rest of the world and the influence it does actually have: he was right to say we could do more and to recognize that the Ten have done better in their reactions to crises than in their attempts to overcome or resolve them. The underlying — and correct assumption of the President-in-Office was that the Ten when they speak with one voice, have greater influence than when each country speaks for itself. And at the very moment we were listening to his words we were able to read in the editorial of the most influential daily newspaper in France that, if there was one question on which the nations of Europe should be unanimous, it was our criticism of the United States' monetary policy. And yet the Finance Ministers of the Ten were unable last Monday in Brussels to define a common position to adopt at the forthcoming Ottawa summit.

That is unfortunate, and brings us back to one of the things about which we feel most strongly, and which we found reflected, at least partly, yesterday during Lord Carrington's statement when he said that progress in the field of political cooperation cannot ever replace the progress we should be making in Community activity. That is to say we are convinced that either we make real steps forward in the process of integration, in the renewal of the Community, in the definition of common policies and strategies which will do something about the crisis, inflation and growing unemployment and ensure that we have further development and a new kind of development, or we shall simply delude ourselves that we can make progress in the field of political cooperation and give a boost to solidarity whilst at the same time in all these other areas the tendency is towards breaking up. The finest mechanisms in the world can be studied and

implemented but they will contribute nothing to real progress because, as Lord Carrington so rightly said, we are talking about two sides of the same coin.

Indeed, not only is the gap between Europe's potential influence on the rest of the world and its actual influence wide, it is, alas, getting wider. In three key areas where over recent months we have shown the strength of a European identity — the Middle East, the North-South Dialogue and the Euro-Arab Dialogue — we have come to a virtual halt. Nor have the Ten managed — or indeed seriously attempted — to show themselves as the unified power which could make a real effort to renew dialogue between the two major world powers at a time when they are in a deep crisis of distrust and a real threat of further escalation in the arms race hangs over the world. If anything at all has been done which is equal to the problems, the challenges and the dangers, the credit must go not to diplomacy but, to the greater glory of this House, to one of our most respected colleagues, Mr Willy Brandt. For here, as my friend Mr Bonaccini said yesterday when speaking on behalf of our Group, we have no intention either of underestimating the moves to find a formula for a political solution in Afghanistan, nor of denying how much has already been done in other fields, such as the emphasis that has been placed on the fact that Poland must be allowed to pursue its political, economic and social renewal independently. Despite all this, the gap between what Europe could do and what it does is wide, and becoming wider.

I will conclude, if you will allow me, Mr President, by saying that since we do of course stand for the development of political cooperation we shall support Lady Elles' motion for a resolution with our votes — despite the reservations we have on one or two aspects, and on the fact that the report is somewhat one-sided, and despite a number of inadequacies in the resolution itself on political cooperation.

Nonetheless, for the resolution to be made reality it will, in our view, be necessary for point 3 of the provisions of the motion for a resolution to be restricted to calling on the President to forward just the resolution to the appropriate authorities and not, as it says here, the report as well. We ask this of the rapporteur and of Parliament as a courtesy, and because to do so would set a precedent likely to lead to constant problems and arguments in our own work in the future.

President. — I call Mr Irmer.

Mr Irmer. — (*DE*) Mr President, ladies and gentlemen, we agree with the rapporteurs, Mr Hänsch and Mr Van Miert, that our Parliament can be given far more rights within terms of the existing Treaties, i.e. without amending those Treaties. We therefore agree in principle with the proposals put forward in

Irmer

those reports. We feel, however, that on some points the reports do not go far enough and that this House should be given more teeth.

Let me give you just one example of what I mean. Point 5 of the Van Miert Report and point 11 of the Hänsch Report effectively confirm a state of affairs which, to my mind, is unacceptable. The practice adopted so far in the legislative process has been for Parliament to take decisions, but for the Commission to then have a free choice as to whether to maintain its original proposal or make subsequent amendments to it. In other words, the Commission has so far been able to bypass Parliaments's decisions entirely.

To my mind, what we have here is a straightforward question of political legitimization . . .

Mr Hänsch. — (DE) No, it is a question of the Treaty!

Mr Irmer. — (DE) Mr Hänsch, can we accept a situation whereby the Commission — composed of 14 appointed officials — is able to give its political views priority over the majority decisions of the directly elected European Parliament? I think not! Now, you may raise the objection that the Treaties are an obstacle. But that is not true. According to Article 149 of the EEC Treaty, the Commission may alter its proposals, in particular in the light of Parliament's opinion. Following direct elections, I believe that the legalistic interpretation of this clause — which is bound to undergo a dynamic change — has changed this *may* into a *shall*, with the result that the powers of discretion originally available to the Commission have effectively been reduced to nil.

Generally speaking, the basic principle is that, following direct elections, this House may do not only whatever it is expressly allowed to do under the Treaties, but may — and indeed should — do anything the Treaties do not expressly forbid it to do.

The second objection raised by Mr Thorn yesterday — as a precautionary measure — was that the Commission's dynamic role would thereby be weakened. I should like to suggest to Mr Thorn that perhaps the Commission itself has allowed its role to be weakened by kowtowing bit by bit to the Council. I really do not see why the Commission always insists on its rights when what is at issue is the rights of the European Parliament. Why does the Commission try to keep a tight rein on our rights while at the same time making no attempt whatsoever to reestablish its position *vis-à-vis* the Council? I should like to suggest to Mr Thorn that he should indeed take a hard line — but in his dealings with the Council and not with Parliament.

(Applause)

This House must play its democratic role to the full, even if it means on occasion treading on the Commission's toes. If we really wanted to, we could give ourselves the legislative rights of a lower chamber even within the terms of the existing Treaties. Let us have the guts to do just that. Let us not call a halt halfway along the road. Let us at last make a serious attempt to establish parliamentary democracy in the Community.

President. — I call Mr Pesmazoglou.

Mr Pesmazoglou. — (GR) Mr President, I firmly support all the proposals for institutional reforms in the European Community. I support both their general approach and their substance. I am in particular agreement, however, with the proposal which comes from Mr Spinelli and is headed by the name of Mr Abens. I wish to stress that we cannot hope to solve today's problems unless we give new impetus to the European Community. We cannot overcome the economic crisis nor combat unemployment and inflation in all the countries of Europe unless there is a new and decisive initiative from the European Community. Such an initiative is essential if we want to tackle both the international economic crisis and the problems of our relations with the USA.

It is in the interests of every nation on earth that the European Community should be given new impetus and acquire real importance in international economic and political affairs.

I wish to stress that for all our countries, for the larger countries of the European Community, the problems arising from the economic crisis cannot be solved unless they are dealt with by the procedures of the European Community, and this also applies to the Mediterranean countries, including Greece. The European Community is an essential factor in the solution to the problem of the development of the Mediterranean countries of Europe, including Greece.

I therefore also support the proposal made yesterday by Mr Willy Brandt when he said that inflation was a basic problem. Community decisions should be taken by a majority, but this presupposes certain basic approaches and above all the abandoning of the notion of a European Community with several rates of progress, as well as the recognition of the need for comparable development throughout the Community.

My second remark, Mr President, is that unless these things are brought about and unless the Community acquires its own important role in overcoming today's economic problems, we shall not have the importance necessary to play the political role which we can and must play on the international political scene.

Yesterday Lord Carrington gave us a brilliant exposition of the problems of foreign policy, and I should

Pesmazoglou

like to stress the importance we attach to the initiative which the British President-in-Office of the Council, Lord Carrington, has just taken to try to solve the problem of Afghanistan.

We cannot play an important role in international relations if we do not take the initiative to overcome the economic problems. On this point I am bound to say that, apart from the very great problem of Afghanistan, apart from the problem of Poland and apart from the problem of the stationing of rockets in Europe, there are also other problems on all of which the European Community must stick consistently to its principles. I say this because it is inconceivable that Cyprus should not be included among these matters on which the Community will be taking an initiative. It is an island which has suffered an invasion and 40% of which is occupied by foreign troops, and in this question special responsibility is borne by certain countries of the European Community, which have given guarantees for the constitutional status of the island.

Of the reports which have been tabled

(The President interrupted the speaker)

. . . I would lay particular emphasis, as I said before, on the one by Mr Spinelli, since it involves a procedure for mobilizing the European Parliament. The building of Europe used to be carried out on the initiative of certain governments. Now the European Parliament has the duty and the responsibility. And yesterday Lord Carrington referred to three basic problems, three basic objectives, which he called the 'new triptych' of the British presidency. I would say that this triptych must be replaced by the need for a major leap forward which must make itself felt both inside and outside the Community.

President. — I call Mr Enright.

Mr Enright. — First of all, may I make it quite clear that what I am saying is not the view of the majority of the Socialist Group, and may I also make it clear that I would have taken a very different line on Monday, because I think the reports in themselves are excellent and do point to a way forward. But after the vote which was taken on Tuesday it is quite clear that, when it gets down to specifics, we cannot control our own affairs and that in particular we have left the staff in a very dreadful situation as a result of that Tuesday vote. So what I am saying is that I cannot in any way now vote for an increase in the powers of Parliament when Parliament is unable to control its own affairs.

Can I make one particular point? I would like people to scrutinize the voting list. I should like the electorate of Europe to scrutinize the list, see who their representatives are, see what their attendance is like at committee meetings where the hard work of Parlia-

ment is done, and then see if it measures up to the vote which they cast on Tuesday. I think that if the electorate of Europe did this, they would galvanize some of those Members who turned up for the vote but who only come here for one or two days on issues which seem to them of national importance and very rarely attend committee meetings and are therefore not aware of the importance of what is being done.

Can I make a second point? It seems to me that there is one aspect of Europe which has not been considered in the reports, namely the role that national civil servants play. They are not democratically accountable to anybody, and yet we know very well that, in a large number of areas, it is they who effectively decide Council decisions. I say this deliberately with Mr Hurd sitting there. For instance, the way in which regional aid operates saddens me very much indeed. We have regional civil servants in the United Kingdom and we also have the civil servants at the centre in Whitehall and we also have COREPER out in Brussels. That is something over which we have no democratic control, and that is an aspect which we must examine very carefully.

Although I shall be voting against these reports, I would like to commend the people who drew up the reports. It seems to me that they have put some very hard work into it and that it is very successful work in many ways. But the work will only be successful if we can get the parliamentarians here to do their work properly. Therefore I shall be voting against those reports.

President. — I call the Council.

Mr Hurd, President-in-Office of the Council. — Mr President, it has been for me a fascinating and most educative experience to sit through this debate. I think that I have heard every speech made in this debate yesterday and today and I have learned a great deal from them. In a speech which gave the Presidency particular pleasure yesterday, Mr Tindemans gave generous credit to the strength and importance of the British parliamentary tradition, but it is quite clear to me that this Parliament is quickly creating its own traditions and showing a vitality which is very much its own, even though that vitality quite often takes the form of expressing disappointment about the pace of progress which it has so far made.

The Council certainly shares the concern underlying the draft resolutions before you and the reports which are being discussed, the desire to find ways of rendering relations between our institutions more fruitful and building more confidence between us, so that the resolutions which you pass in this debate will be a vital factor in the further consideration by the Council of the questions which they treat. As Lord Carrington said yesterday, a powerful ingredient for

Hurd

the success of any presidency must be the maintenance of good relations with the Community's other institutions and we would certainly do what we can during our Presidency to maintain and, where possible, to improve those good working relations.

If I could say a brief word about the discussion on Tuesday to which Mr Enright has just referred, it is useful for the Member States to have the expression which you gave on Tuesday of your views as set out in the resolution which you have carried. Member States can understand the motives involved, the motives underlying the different positions in the debate, motives of budgetary economy, the desire to improve working conditions and above all, the anxiety to improve the standing of the Parliament and the Community in the eyes of its electors.

The resolution recognized, of course, that under the Treaties the decision on the seat of the Community's institutions is for the Member States to take. As the Parliament knows, the Heads of Government agreed in March to confirm the status quo, so that it will come as no surprise if all I can do today is to assure Parliament that the views which it has expressed since then, the views which it expressed on Tuesday, will be brought to the attention of the Member States at an early date and that we will ensure that they are properly considered.

As regards the Hänsch report, and the draft resolution attached to it, we certainly welcome the constructive ideas which it contains and we will try, as Lord Carrington said yesterday, to make out of the relationship with Parliament an effective dialogue and not an exercise in mutual frustration. During our Presidency, we will work to implement those proposals of the report of the Three Wise Men which were agreed, and I think this could do much to improve the handling of Council business.

Turning to the resolution, the Council is acting already on some of the proposals in the draft resolution — for example, we circulated in advance of the Presidency programme speech a memorandum setting out the business of our Presidency. This was to try and help the dialogue between the institutions to take place on a basis of better understanding. I hope you will find that the presidency will be making particular efforts in the next six months to keep Parliament informed not only on budgetary matters but on the whole range of questions covered by your committees. That is certainly what we shall try to do. I entirely sympathize with the views I have heard expressed to the effect that at Question Time the answers to questions from the Council should be more informative. Speaking as someone who has to deal with this problem at Westminster, I can quite understand the feeling which is being expressed. Obviously there are limits to the extent to which the Minister replying can take Parliament into some of the dangerous or controversial areas covered by the Council, but within those limits

we will certainly try to make sure that the answers we give are useful to Parliament and particularly to the Members who have tabled the questions.

I would just like to mention the ingenious speech made by Mr Turner, because he referred particularly to the Council. Indeed it was an effort to heap upon the Council as much as possible of the blame for the unpopularity of the Community in some of its Member States. He gave an eloquent criticism. But I wondered as I listened to him whether it is really sensible from the point of view of Europe to play this game of trying to shift the blame from one institution of the Community to another. I think that is not perhaps a very effective way of forwarding the cause of Europe. We shall certainly try to improve the working of the Council, but instead of one institution blaming another, we would prefer to try to achieve a closer partnership between them. I don't think that Mr Turner entirely took account of all the realities with which the Council has to deal and of the basic need for agreement on the major issues of the Community. If one tried to bypass that need for agreement between Member States and national governments, then I think one would not be strengthening the Community but might well be tearing it apart.

Coming to the van Miert report, again it contains, in our view, interesting and important ideas. We regard it as absolutely natural that you, as the elected representatives of the people, should be seeking to join as fully as possible in the decision-making process of the Community. I will make sure that the points made in the report and in the draft resolution, if it is adopted, are brought to the attention of the Council and I am sure that that will be a useful process. Again I don't think that you would expect me at this stage to say very much more on that.

There are two reports which are not the direct concern of the Council, so I won't enter into them in detail. There is the interesting report by Mrs Baduel Glorioso and the report by Mr Diligent. I was much interested to hear Mr Bournias' account of the meeting, in which he took part, between the representatives of this Parliament and of the national parliaments, and I agree entirely with the stress he laid on the importance of the relationship between national parliaments and the European Parliament. This is something on which I certainly feel that a good deal of progress has still to be made.

Finally, Mr President, I turn to Lady Elles' report on political cooperation. Lady Elles will have listened to what Lord Carrington said. In particular, towards the end of Question Time yesterday, he gave us some rather personal insights into the way in which his own mind was moving on this, and she will, I am sure, have noticed that the ideas which he expressed are very close in several respects to the ideas in her report. We shall certainly try to edge forward, to make some progress on the intensification of political cooperation.

Hurd

It is already much more intense than most people know. To strike a personal note, it is almost 30 years since I first joined the foreign service of my own country, and the greatest single change which has come over the British Foreign Office during those 30 years is without any doubt the development of political cooperation and the effect which that has had on the thinking and attitudes of officials as well as of ministers. It has gone very deep, and I am sure that this is true of all the different foreign offices of the Ten. There is certainly room for improvement; but perhaps we should pay a little more attention to making sure that our electors understand the importance and potential of what has already taken place.

If I could, without trespassing against the Rules of Procedure, comment on the speech Mr Israel made in the earlier debate, I think that he somewhat misunderstood the present attitude of the Ten as regards the Middle East. It is not so that the Venice declaration has been in some way put on the sidelines, or that we intend to abandon it; on the contrary, we believe that the basic principles which it incorporates have been justified by the passage of time, and I would remind him of the statement made at Luxembourg at the last European Council, that the Ten agreed that their efforts should be continued energetically and without respite, taking account of the missions performed by Mr Thorn and Mr Van der Klaauw.

I need not go into further detail about political cooperation, except simply to say this: that we accept that this Parliament would naturally and justly expect a special role in influencing and commenting upon what is done. There is a special institution for that — the colloquies — and we are glad that Lady Elles' report draws attention to them.

Finally, Mr President, we accept — and as a parliamentarian myself I personally would be surprised if it were not so — that this Parliament feels it has the right and perhaps the duty to be impatient, to wish to press ahead, to be, as Mr Pasmazoglou said in a speech which I listened to with great interest, a 'galvanizing force' for the Community, a spur to the other institutions. It is natural that there should be expressions of impatience, though my own view is that some of the more extreme statements of disappointment are not entirely justified by what has occurred. During our presidency, we will certainly, in this institutional field and the role of the Parliament in particular, do what we can to ensure that the institutions act in harmony, and we know that that can only happen if on the part of the Council careful and thoughtful attention is paid, through the proper procedures, to the voices and opinions of this Parliament.

(Applause)

President. — Ladies and gentlemen, it is now one o'clock and there are still about 20 Members down to speak in this debate. Since I cannot see how it will be possible to vote at three o'clock, I suggest that we continue with the debate at three and then vote at four o'clock. As some Members have indicated they no longer wish to speak, we shall be able to vote on time at four o'clock if everyone keeps to his speaking time.

(Parliament agreed to the President's proposal — the sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MRS VEIL

President

President. — The sitting is resumed.

I call Mr Kappos.

Mr Kappos. — *(GR)* Madam President, the main objective of the reports before us is undoubtedly to increase the unity of the Common Market through political union. The main proposals in the reports, in spite of any embellishment, are first and foremost the abolition of the unanimity principle, the extension of the powers of the European Parliament and the other supranational bodies, the realization and creation of an infrastructure for political cooperation and, lastly, the extension of integration to include the military sphere through the allocation of funds for military expenditure.

In our view, Madam President, these plans for union are largely divorced from reality both because of the very profound opposition to them and for a number of specific reasons. Firstly, international tension and confrontation between the imperialist and socialist blocs are in any case a negative factor in this approach. Another reason is the economic crisis and instability which are forcing the Member States to take special measures to tackle the problems confronting them. These plans are divorced from reality because economic and monetary union has not been achieved.

Consequently, these plans are largely demagogic and intended as a red herring, and if they are put into practice their aim will be to cover up the delay in the economic union of the EEC.

Furthermore the proposals in the reports are reactionary and autocratic. Firstly, they restrict the national sovereignty and independence of the Member States through the abolition of the unanimity principle and the transfer of powers to supranational bodies which are not actually elected by the people.

Kappos

Another aim of these proposals, and especially those involving military integration and the allocation of funds for military purposes, is to turn the EEC into an arm of NATO.

We are categorically opposed to the proposals and cannot accept what has been said about our being anti-European. We reject such accusations and consider them unacceptable.

President. — I call Mr De Gucht.

Mr De Gucht. — (NL) Madam President, belonging to the same country or linguistic area as someone else obviously does not mean that one is obliged to exchange polite phrases with them. After studying the Van Miert report in detail, we have come to the conclusion that it contains very little in the way of new or original proposals, let alone proposals which might provide a solution. It strikes us as unrealistic, at variance with the spirit of the European Treaties and out of keeping with the relevant pronouncements of the Court of Justice to place the emphasis on the formal aspect of the right of initiative. The important thing is that the Commission and the Council must show that they are prepared to take account of the opinions issued by this Parliament either off their own bat or following a request to do so. The fact that decision making in the Community must be based on the Treaties and carried out by the people's representatives is more a question of democracy than of interpretation of the Treaties. Simply referring to intentions proclaimed by the European Council, the Councils of Ministers or the Commission is of no relevance either from the legal or political point of view. Since there is no question of revising the Treaty in the near future and since this would be inadvisable anyway, what we need to know is whether or not this Commission and the new Council Presidency are prepared to involve this Parliament in constructive cooperation. In Mr Thorn's statement on the occasion of the appointment of the new Commission and in the series of official statements by the President-in-Office of the Council one could repeatedly find evidence of a willingness to meet the legitimate wishes of this Parliament to be involved in the decision-making process. However, the question still remains as to the extent to which these promises can be put into practice on the basis of this parliamentary report. The crux of the matter is that there must be a political willingness and this is in fact still lacking. Many members of this Parliament also have national responsibilities and it is thus not all that honest to call for the right of initiative and an extension of powers in the European Parliament and at the same time to take account only of local or regional priorities at national level. If every institution, group and individual involved in the process of European integration would try to act in accordance with the spirit of the suggestions made in this and other reports, the list of demands contained in the Van Miert report could be made considerably shorter.

President. — I call Mrs Gredal.

Mrs Gredal. — (DA) Madam President, may I begin by saying a few words to Mr Brandt. Although I have enormous respect for him, I nevertheless deeply regret the fact that, as the main speaker for the Socialist Group, he expressed the view that we can make do with fewer languages in this Parliament. Mr Brandt described sticking to our mother tongue as an act of re-nationalization. This, in my view, is not the case. We are both members of workers' parties and I should like to know whether it would be possible in Germany to expect every worker to have a mastery of several languages before he could be elected to the European Parliament? This would not be possible in Denmark, and even with an excellent school system there is still a difference between learning a foreign language at school and learning one at the age of forty or having to make a political speech in it. I am not prepared to have a hand in depriving Danish workers of their democratic opportunity of becoming elected members of the European Parliament because they cannot speak a foreign language. Mr Brandt said there was an element of provocation here. I must point out that there was far more than an element and that it is unfortunately statements of this kind which make it difficult to win support for the Community in my country.

It was generally felt that this part-session would be a very important one during which we would discuss a number of political questions — and the questions we are discussing are of course political, although strictly speaking they all have the common feature of concerning only Parliament itself. The day before yesterday it was stated several times that Parliament would become cut off if no changes were made as regards its powers. One might well be surprised that Members of this Parliament should take this view of the situation. The impression I get is that Parliament cut itself off two days ago by its inability to reach a common position as regards its place of work. This means that the Council of Ministers is now justified in saying, 'Why on earth should we take a decision if you can't decide yourselves?' The people of Europe, who have mostly heard about the Parliament always being on the move, may wonder too. However, this is perhaps all due to the fact that the Members here in this Parliament are perfectly aware that the work of Parliament involves a certain amount of frustration. So what do they do? They try to blame the rôle Parliament has been assigned.

Ladies and gentlemen, I am in favour of this Parliament — I should like to stress this point. However, I cannot go along with proposals to the effect that the relations between the various institutions should be changed and virtually all of the reports suggest that the rôle of Parliament should be strengthened and extended! For reasons of time I will not go into details since the rapporteurs have already done this anyway. I

Gredal

will say, however, that we will not solve Parliament's problems by trying to get more power. The only way in which Parliament will be able to justify its existence is by getting some decent work done. We in this Parliament have a part to play — and in my view it is very important part — as a consultative body and I think we could play this part better. It is vitally important that democratically elected members of Parliament and not only officials and members of governments should discuss matters affecting the Community. The people should be able to believe in us and this is a big problem. We need to show the people that our work here in Parliament is important, but we will not do this by incessantly discussing questions of the competencies of the various institutions.

Parliament wants to be involved in all aspects of the Community's work. This is, I think, putting the cart before the horse. Parliament should first of all — and this is a job in which we will all have a part to play — demonstrate that it is important to have a democratically elected body, even if it has, and will continue to have, no legislative power. The problems currently facing the Community are enormous. There are unemployment problems, industrial problems, the economic crisis and energy problems. Let us discuss these aspects of policy which affect the voters in Europe.

After all, wouldn't the people of Europe prefer to hear our ideas and views on these questions? I think so. However, instead all they hear about is our internal problems. I agree that there is a rift between the institutions and that this problem must be solved in the interests of better dialogue with the Council, and I can only urge that a meeting should be held between the Council and the President of this Parliament and the Chairman of the groups with a view to establishing a procedure whereby Parliament's voice can be heard to a greater extent.

President. — I call Mr Blumenfeld.

Mr Blumenfeld. — (*DE*) Madam President, as my Group's final speaker, allow me to point out in passing that this debate, which has been conducted on a very high level, is now taking place in the absence of the Council, whose bench is now unoccupied. The fault may lie with this House, but I feel that the Council should at least be represented at such an important debate as this. I am pleased to note, though, that the Commission is present.

The debate on these reports produced by the Political Affairs Committee is of very special importance to this House. At least, that is my view as a member of the Political Affairs Committee and of the Subcommittee on Institutional Problems. Both these committees have spent a year and a half helping to produce these reports which the House will soon be voting on.

The special importance of these reports lies in their dual aim. On the one hand, we want to improve and strengthen relations between the three Community institutions and thus make the Community as a whole more effective in all fields. I agree with the previous speaker, Mrs Gredal, that the priorities we are all so concerned about are the economy, unemployment, future financial developments, and so on. However, the European Parliament will only be taken seriously in these fields and will only be accepted by the European public if we endeavour to cooperate with the Commission and the Council in correcting the imbalance between the three institutions.

Secondly, Parliament does not carry the same weight as the other two institutions, the Council and the Commission, and this situation must be improved. The Council has too much power. The Commission is at the moment extricating itself from the role it should not really have to play, and is now doing the job foreseen for it in the Treaty, i.e. playing a leading role within Europe. At any rate discussions on the mandate would seem to indicate as much. Of the three institutions, Parliament has too little weight.

There is a slight catch to the comparisons we have been hearing throughout these debates yesterday and today, with national parliaments and national governments. The three European institutions — Parliament, Commission and Council — have contractually defined and guaranteed duties to fulfil. We are at present engaged in trying to fulfil our duties somewhat better. We — that is, the European Parliament — have no intention of trying to force through this phase of the conciliation with the Council and the Commission at any cost. On the contrary, we wish to engage in an ongoing process of Constituent Consultation with the Council and the Member States — as set out, for instance, in the Diligent Report — using all the present constitutional powers at our disposal. We want the Council and Commission to pay serious heed to what is Parliament's clear political will and not think they can hide behind legalistic or bureaucratic arguments.

As has been brought out so clearly in the reports produced by Mr Hänsch, Mr van Miert and Lady Elles, the European Parliament intends to act with all due responsibility and expects the Council to acknowledge any modifications introduced by a directly-elected Parliament representing the peoples of Europe, and to draw whatever conclusions are necessary from the contractually guaranteed executive and legislative powers bestowed upon it.

My Group has decided to support the reports produced by the Political Affairs Committee, and we hope that they will be adopted by a large majority of this House.

As a direct follow-up to the initiative taken a year ago by Mr Spinelli, we proposed the setting-up of a standing committee on institutional — or rather

Blumenfeld

constitutional — problems. We explained at the time, Mr Spinelli, that we welcomed your initiative, but that we wanted to go a step further and create a formal framework which would really be taken seriously, so that we knew precisely where we were heading. We must not be content with the broad perspective; we must pursue what the reports describe as a step-by-step policy and address ourselves now to the question of whether — and if so, in what respects — the Treaty of Rome needs changing.

The step-by-step approach is of major importance in the institutional sphere and in the light of present constitutional or contractual arrangements. An attempt was made in 1949 to make the Council of Europe into a constituent assembly. However, one year later, the Schuman Plan was adopted instead because of its practical significance and the practical steps proposed therein. All that is now past history. What we need here and now is good, solid work which will enable us to show the governments, the Commission and the people of Europe in 1984 — in other words, before the next direct elections — what shape we expect the future to take. The committee we are proposing must not be — and will not be — composed of mere utopian thinkers. We, the European People's Party, set ourselves this task before the last direct elections, and as much as 18 months ago we set out in our own-initiative report — as we point out in a motion for a resolution — how we see the future.

I am very pleased that over the last few days, we have now succeeded, in conjunction with the initiator of this idea, Mr Spinelli, in formulating a joint motion for a resolution, which I hope will receive the support of a large majority of this House. At any rate, our joint negotiations were not always easy, but all is well that ends well. The European Parliament must not allow itself to become isolated. We would be bound to suffocate in any future European ghetto. As I said before, if we wish to be taken seriously by the Council and the Commission — and that is something we have a right to expect as the directly elected representatives of the people of Europe — the European Community will gain in influence and authority in the eyes of the world. The degree of influence we wield depends directly on the Community's economic power — which I hope will grow in the future — and our ability to conclude trade and economic agreements — and I hope in the future, increasingly, political and security agreements too — on behalf of all ten Member States.

We hope that, by adopting these reports, we shall set in place the political superstructure the European Community has so far been lacking.

(Applause)

President. — I call Mr Johnson.

Mr Johnson. — Madam President, I want to welcome the resolution my Mr Abens and others on the institu-

tional question. I want to congratulate Mr Spinelli for the work he has put in, and I want to do that on behalf of the European Democratic Group. We welcome this initiative, and a few minutes from now we shall be supporting it with our votes. We think it is timely.

The Treaties were conceived twenty or thirty years ago, at a time when there were six not ten or eleven or twelve Member States of the Community. They were conceived at a time when the world was very different and when preoccupations were very different. So much has changed. Today the challenges are to do with industry, energy, trade, political cooperation, the environment. We are taking a new look at agriculture. All these things are not adequately reflected in the basic Treaties which we have, and we do believe it is right that this Parliament should have another look at them. If we do not do it, who will? What could be a more proper task for a new directly elected Parliament than to have another long and serious look at the basis of our existence as a Community.

Don't let anybody take this exercise as a grab for power by the Parliament. It is nothing of the sort. It has to do with relevance. It is to do with trying to see whether or not we are moving in the right direction. We are talking here first of all about a mechanism, a quite straightforward mechanism. That is what this motion is all about. Nothing is prejudged in one sense or the other by the fact that we shall establish a constitutional committee. But it will give us a chance to go forward, as the last speaker has said, into the next European election on some kind of manifesto which has been adopted and approved by the European Parliament, a manifesto, I believe, for change which we should all be able to support.

I am going to sit down now, because time has moved on, with the final plea for all of us to support this initiative as we on this side of the House will.

President. — I call Mr Haagerup.

Mr Haagerup. — *(DA)* Madam President, my Group welcomes Lady Elles' report on EPC, which we regard as an important contribution towards extending this cooperation. There are only three things I should like to say.

Although we too are in favour of setting up a permanent secretariat for EPC, I must emphasize that this should not weaken the role played by the six-monthly presidency of EPC. It must not reduce the importance of the close cooperation which has been established at many levels between the foreign ministries of our ten countries. In setting up such a secretariat our aim is not to create a second foreign ministry, but to increase the effectiveness of political cooperation as much as possible.

Haagerup

Security policy is a part of foreign policy, and there can thus be no artificial borderline between what is known as foreign policy and what is known as security policy, although purely defence and specifically military matters will continue to come under NATO.

There were proposals from certain quarters that the defence ministers of the ten countries should be invited to join EPC. With the full agreement of the rapporteur, the Liberals have succeeded in having these proposals changed, so that the text submitted to us now says only that other ministers and officials can be involved in EPC if necessary, if it is felt that this would be useful.

We pay tribute to the expertise which, through the efficiency of the officials in our foreign ministries, has made its mark on the development of EPC. It is, however, important that this constantly widening political cooperation should not become over-technocratic. There is a need for both the national parliaments and the European Parliaments to be able to play a role. It is their Members who are in broader touch with our peoples, and it will be easier to demonstrate the advantages of widening EPC and making it more effective if the elected institutions are involved. What is more, this applies to all European cooperation. This may not be to the liking of all officials, since foreign policy is sometimes taken as a synonym for secret diplomacy. In some situations it may well be better that way, but I strongly recommend that the directly elected institutions and politicians should become more involved in political cooperation, and that they should themselves take steps to become more involved.

Finally, I should like to emphasize one of my Group's fundamental views — that we unreservedly support the further widening of political cooperation, but that this cannot and must not be a substitute for cooperation on the basis of the Treaties. EPC and EEC cooperation are both vital components of European cooperation.

President. — I call Mr Haralampopoulos.

Mr Haralampopoulos. — (GR) Madam President, it is clear that Mr Abens' motion for a resolution is directly aimed at replacing both the Political Affairs Committee of the European Parliament and the Subcommittee on Institutional Problems in matters relating to the functioning of the Community bodies and institutions by setting up an ad hoc committee. But it also means indirectly a long-term revision of the Treaties. It must be pointed out in particular that Mr Abens' motion for a resolution comes from the Crocodile Club, which is seeking to institutionalize itself through the setting up of another committee with the aim of gaining acceptance for opinions which, if they are adopted, will bring about a radical change in the

way in which the Community bodies function and in the relations between them. This motion in fact seeks to increase Parliament's powers in relation to the other institutions particularly the Council of Ministers. Thus it is an attempt to reduce the powers of the Council of Ministers, and by extension those of the Member States, on the initiative of a private body without any organic link with the political choice of the nations, governments and political parties. It is based on an idealistic conception of the Community which, however, bears no relation to today's reality. With yet another set of proposals an attempt is being made gradually to convert the European Parliament into a decision-making body. This fact — in addition to its anti-institutional character, since it is contrary to the Treaty of Rome and the decision of 20 September 1976 on direct elections to the European Parliament — calls directly into question certain established rights enjoyed by the Member States within the Council of Ministers.

These proposals reinforce the tendency which exists at present in the Community, a tendency which seeks to abolish the right of veto in the Council of Ministers. We do not know what might happen at some other historical stage at which the economic, political and social processes in the Member States might be comparable in the context of an international equilibrium in which certain people believe.

Today, however, the only thing that can happen is that we would be legalizing via the European Parliament the dominant position of the most economically and politically powerful countries, while the main problem for Greece is to achieve its national independence and to ensure independent economic development based on Greek interests and, of course, on the will of the sovereign Greek people. We are therefore bound to state, Madam President, that the motions before us do not reflect our views and that the Panhellenic Socialist Movement rejects any direct or indirect interference by the European Parliament in the work of the national parliaments and also that in any contacts between these two bodies the governments of the Member States must be responsible for ensuring that the role of the national institutions, parliaments and governments of the Member States is not weakened, which would be a travesty of national independence.

President. — I call Mr Patterson.

Mr Patterson. — Madam President, may I start, like my colleague Mr Johnson, by declaring an interest? I am a crocodile and I shall be supporting Mr Spinelli's important initiative, though I have to add that I have never actually eaten at the restaurant which gives it its name. Perhaps Mr. Spinelli will celebrate on some appropriate occasion.

Patterson

At Question Time on Monday and yesterday, a short but very revealing exchange took place on the subject of our new Rules of Procedure. On one side of that exchange were those like Mrs Hammerich and Mr Paisley, who wish to limit not just the powers but, it seems, even the authority of this Parliament, and on the other there are those who wish to strengthen both. Now Mrs Hammerich and Mr Paisley make no secret of their motives: they wish to limit the authority of this Parliament because they wish to limit the effectiveness of the Community itself. My position is a mirror image of that: I wish to strengthen this Parliament because I wish to increase the effectiveness of the Community itself.

I want to consider briefly the legislative rôle of Parliament, covered in the report by Mr Van Miert. First, it is important to be clear on the question, what is legislation? Is it a single act or is it a process? Those who talk of the Council's sole right to legislate assume that it is a single act; but if this is the case we have to conclude, for example, that the British parliament at Westminster has no legislative power because the royal assent, the signature of the Queen, is the legislative act which creates law in the United Kingdom. It is much more sensible to think of legislation in the Community as a process in which this Parliament already takes part.

On the right to initiate legislation, Mr Prout has explained on behalf of the Legal Affairs Committee that we already have this right. It is enshrined in our Rules of Procedure. Specifically, there is the right to draw up own-initiative reports and the right to propose and pass resolutions; those rights we already have, all we need to do is to make use of them. We also have the right to deliberate on Commission proposals. On Monday I put two questions to the Commission on this matter and they are repeated in Amendment 16 to paragraph 6 of the Van Miert report. When we changed our rules, we were consciously attempting to enlarge Parliament's rôle in legislation, and I drew attention in my question to the isoglucose decision, which pointed out that the opinion of Parliament is a necessary part of the legislative process. I draw the attention of the Commission and this House to the reply yesterday of the President-in-Office of the Council, who said there was nothing in the Treaties or in the joint declarations of the institutions which said that our Rules of Procedure were illegal. That was a very important declaration yesterday from Lord Carrington.

In our rules we sought to make maximum use of this position by voting directly on Commission proposals — something, incidentally, which my group has been arguing for ever since 1973. What effect can this have? Now, the Political Affairs Committee hopes to influence the Council directly by 'demanding' — that is the wording in paragraph 6 — that the Council takes notice of us. That, in my opinion, is quite futile. We cannot demand, but we have a much better way; we

do this by using Article 149 of the Treaty, which says that as long as the Council has not acted, the Commission may alter its original proposal.

On Monday I specifically asked Mr Andriessen two questions. I asked him whether, when Parliament rejects a Commission proposal, he will undertake in general to withdraw it, and second, where Parliament amends a Commission proposal, whether the Commission, as a general rule, will accept such amendments. If he can now give that undertaking, it will be a dramatic proof to the people of Europe that the Community is not a remote, dying technocracy but a responsive and developing democracy, and I look to Mr Andriessen to reply.

President. — I call Mrs Spaak.

Mrs Spaak. — (*FR*) Madam President, I should like to add a historical footnote to the 'Crocodile' motion for a resolution. The Consultative Assembly of the ECSC met for the first time on 11 September 1952.

Two days later they decided to set up the 'ad hoc' Assembly, which was instructed by the six foreign ministers to submit within six months a proposal for a European Political Community.

It was a challenge, and they took it up, and six months later the fruit of their labours was submitted to the foreign ministers.

This was Europe in 1952, in the aftermath of the War, and its concern for the future, as voiced by the most determined supporters of Europe, is a perfect match for the circumstances in which we find ourselves today. This is what one of them said: '... Faced with the enormity of our misfortune, surrounded by ruins of our own creation, in our weakness and our poverty, with the threat that hung over us and the climate of fear, we have realized, we have suddenly seen the terrible danger in which our quarrels and our disagreement were putting the principles we all shared and the thousand years of culture which we had all enriched and embellished with our contributions'.

Those are the words of Paul-Henri Spaak, the President of the 'ad hoc' Assembly.

Now, twenty eight years later, we can look at what has been achieved and draw a number of conclusions.

Europe has, more or less weathered the storms and overcome the difficulties, but despite the many attempts, which have all met the same fate as the 1952 ad hoc Assembly's draft treaty, the political structures have not been strengthened. There has been one important event, however, and that is the election of this House by universal suffrage. We had all deplored this weakness in our institutions — the absence of any

Spaak

democratic legitimacy. I am certain that the majority of this Parliament is in favour of further progress towards European integration, and I should like in passing to congratulate the authors of the reports we are debating today.

The Political Affairs Committee has a full agenda, though, and it is essential that a number of Members, of every shade of opinion, should concentrate their thoughts on the working of the system as we have it. In saying that I am doing no more than repeating the words of Mr Thorn and the deep concern he expresses whenever he addresses the public.

For we can draw up the most audacious, the most innovatory policies — they will be in vain and will bear no fruit unless we have the means to implement them. We are almost half way through our first mandate. To remain credible, to sweep aside the criticism which is levelled at us, we must come forward in 1984 with a new plan, new ideas, a new impetus to offer a worried, sceptical public.

The spread of demonstrations is the proof of that scepticism today. We must not react defensively: it is up to us to take up the political challenge, not to dig ourselves in self-righteously. We have to show that Parliament's democratic legitimacy means something, and that it is through that democratic legitimacy that the people of Europe can best express their hopes and their desires. Despite the enormous problems that we have today we must find the courage to close ranks and the courage to continue. The ad hoc committee which many Members of this House are calling for will, I am sure, be the forum — the privileged forum — for a confrontation of ideas and attitudes which will give rise to proposals, to plans and to hope.

It is up to us, the directly-elected representatives of the people, to take on the task of restoring to Europe its strength and its brilliance. Mr Spinelli, at such a moment as this the daughter of Paul-Henri Spaak could be nowhere but at your side.

(Applause)

President. — I call Mrs Focke.

Mrs Focke. — *(DE)* Madam President, ladies and gentlemen, in this 'institutional' debate, which has been going on since the day before yesterday, we have been trying on two different levels to hasten the unification of Europe and thus strengthen the role of the European Parliament.

It seems to me important, to begin with, to draw a clear distinction between these two levels — for one thing, for the sake of public opinion, and for another in our own interests and not least in the interests of the way this House's work will be organized in the future.

At the same time, however, I should like to stress that there is no inherent contradiction whatsoever between the two levels. On the contrary, they can only complement each other, and our mandate from the electors is to pursue both aims simultaneously. On the one hand, we must make full use of all the opportunities offered by the existing Treaties to induce the Community to act more quickly, more purposefully and in a way more in line with the problems we are facing, to enable us to come up with political answers to the questions of the day which are concerning our people, and so to place the European Parliament more in the forefront of affairs. After all, let us not forget that our voters took the trouble to go to the polling booths two years ago and elect us to this House. What I have in mind here are the reports and motions for resolutions bearing the names of Mr Hänsch, Mr Van Miert and Lady Elles.

On the other hand, though, we must go beyond the terms of the Treaties and engage in more radical thinking, comparing the current state of the Community with what our common interests indicate we need, and going on from there — i.e. bearing in mind our aims, duties and needs, we must seek to set in motion a process for developing the Treaties. Together with the national parliaments, we must formulate the terms of a second-generation Community, breathe political life into that Community and of course give it the kind of institutions which will enable it to act and take decisions. I mean the resolution by Mr Abens or Mr Spinelli.

For the future development of the Community, we need both the step-by-step approach within the terms of the Treaties and a broader perspective going beyond the existing Treaties. There is no reason for those who attach more importance to the step-by-step approach to denounce others as Utopian dreamers. On the other hand, the more radical thinkers should not despise and overlook the merits of the more cautious approach. 'All or nothing' was never a very good watchword and, if adopted by the Community, it would lead to total paralysis.

That is why my group has tabled Amendment No 4. Let us not pretend we have less room for manoeuvre than we really have, especially in view of the fact that we directly-elected Members of the European Parliament have so far not really made full use of the opportunities available to us by putting forward ideas, taking the initiative and showing what direction we should be taking.

A second point, ladies and gentlemen — and this comes out in the other two amendments tabled by my Group — is that it seems to me important to show that institutions are extremely important, but are not an end in themselves, and in this respect I take exactly the same line as that espoused by Jean Monnet, the man behind the European Community's own institutions. These institutions are a means to an end. Let us be on

Focke

our guard against holding a debate on the institutions with no reference to their tasks. Let us ensure that the new committee we wish to set up does not degenerate into a kind of constitutional formalism inspired by age-old national institutions.

The Community is a unique organism. Its institutions are already *sui generis*, and its Parliament too, which must meet the democratic needs of a community of peoples, will be a unique phenomenon. In this respect, I should like to take up a point which Willy Brandt referred to as the 'new principle of integration' — the need to adopt common rules but to decentralize the application of those rules. What we have here accords with the old principle of subsidiarity: as much as necessary at the top, but as much as possible at the bottom — and this applies to both regions and countries. What we need is a form of subsidiarity with a bias towards decentralization and regionalism, so as to correct what we now see to be the harmful effects of centralization and the size of the market. I believe that the need to discuss this question in a future new committee will be more important than the old argument about whether we want a Community of countries or a federal Community and about whether there should be an upper or a lower chamber.

I hope we shall find a large majority in favour of this new committee, and I also expect a large majority in favour of the other motions for resolutions on the question of the existing Treaties. A majority of my Group will be giving its energetic support to these measures.

President. — I call Mr Gondicas.

Mr Gondicas. — (*GR*) Madam President, the legal justification of the principle that the legislative initiative belongs to the Commission is undoubtedly derived from the text of the Treaty. However, we cannot escape the fact that the elected Members of this Parliament are the only ones who can interpret the will of the people they represent and thus decide what legislative measures need to be taken in the interests of their peoples.

As a result of the debate on Mr Van Miert's report, the Commission must accept a method of cooperation with Parliament so that certain legislative initiatives come, in the first instance, exclusively from Parliament.

I specifically propose, Madam President, that the Presidency draw up, in collaboration with the Commission, a range of subjects for which the legislative initiative should belong to Parliament. The transfer of this power can be carried out, in my view, under Article 155 of the Treaty. Any view to the contrary, especially if the Treaty is invoked, is simply an excuse for not honouring the wishes and needs of

our peoples. When the proper mission of this Parliament becomes reality, it will doubtless be absolutely essential to have the close cooperation with the Council which is provided for in the Hänsch report and which will make it essential for decisions under European political cooperation to be taken unanimously, as proposed in the report by Lady Elles.

However, Madam President, such cooperation cannot be one-way. Democracy requires dialogue. In order to have dialogue, these institutions must be given the possibility and the responsibility of taking legislative initiatives expressing the will of the peoples of our ten countries, whose fate is at present decided not by the actions of their elected representatives but by those of a class of superior technocrats.

In paragraph 6 of his report, Mr Diligent proposes something important. It is right for the Members of the European Parliament to be able to participate without vote in the debates of the national parliaments and of the relative committees whenever a question relating to Europe is being discussed, since this is the only way in which we will be in touch with the actual state of affairs in the Member States.

I shall vote for all the motions tabled by the rapporteurs, whom I also wish to congratulate on their cooperation.

President. — I call Mr Ruffolo.

Mr Ruffolo. — (*IT*) Madam President, I shall be brief about the Spinelli proposals: in my view they represent an opportunity for this House to rise and produce a considered judgment on the state of the Community and its institutions, a report as formidable as the problems which the Community is facing and on which its very future depends.

One of the major British weeklies recently commented ironically on the success of the Socialists in France — it was not a particularly progressive newspaper — and spoke of the excitement and the risks. If we wanted to use the same sort of irony about the present state of the Community we could say that all we have left are the risks. The excitement has gone. For a long time now the word 'Community' has been indissolubly linked to the word 'crisis' — financial crisis, institutional crisis, survival crisis.

From the financial point of view, the Community is locked in the impasse created by an impossible budgetary situation. Those who are benefiting by the budget are battling to keep their advantages; those who lose on it are battling to keep the costs down, and the result is a stalemate. Meanwhile the institutions have been going round in aimless circles, with the dossiers on the crisis going back and forth between them: Council to Commission, Commission to

Ruffolo

Council, whilst Parliament looks on aghast at this game of ping-pong. The Community has a real survival crisis because of the fact that for too long we have been lacking a blueprint, not for mere financial juggling, but for rebuilding unity.

What is needed, therefore, Mr Thorn, is not adaptation but a fundamental reappraisal of our objectives, of our policies and of our institutions. As our most recent experiences show, we cannot expect bureaucratic or diplomatic institutions to provide a real response to that challenge, and so it must be this Assembly which takes the challenge up. The merit of Mr Spinelli's initiative is that it reminds us of that duty. I have given him my fullest support from the outset, and I have never considered his initiative as an attempt at institutional engineering, but as a political initiative which will enable Parliament to fulfil its true vocation as the democratic reflection of the political will of Europe.

It is my hope that Parliament will support Mr Spinelli and realize the innovatory significance and responsibility which that support implies, but will not subject the resolution to the stranglehold of rules of procedure and procedural delays which are — alas — all too common in our business.

I should like to close with a joke which was going the rounds in Poland back in the days of Mr Gomulka. First Pole: 'What's the definition of a lizard?' Second Pole: 'A crocodile that's been put through the five-year plan'.

This, ladies and gentlemen, is one crocodile which I would like to see saved from a bureaucratic fate worse than death.

(Applause)

President. — I call Mr Radoux.

Mr Radoux. — (FR) Madam President, ladies and gentlemen, I should like to explain my support for the proposal to set up an *ad hoc* committee on institutional affairs by answering three questions.

First of all, what the committee would not be. It would not be either a substitute for or an offshoot of, the Political Affairs Committee. That committee already fulfils its appointed function, and I should like to take this opportunity of saying how much I value the regular reports we receive from the Political Affairs Committee on the international situation and on certain internal problems, admirably illustrated by those reports we are considering today; I offer my thanks to the authors.

Secondly, what is being proposed. It is that, faced with a situation, many aspects of which we have been deploring for far too long, we should respond by an

extraordinary appraisal of the Community and where it is going. Should we in fact be talking about an exceptional situation? To me it seems obvious: if the resolution talks about reform, it is because the system which was set up by the Treaties is quite simply in danger. One of the things we have to reaffirm is that the Community will not function properly until it has a proper decision-making centre, in other words until the Council returns to taking votes. Tensions between Member States will not be reduced by a succession of vetos and undecided issues; nor will any progress be made towards real common policies. As for internal affairs, we shall see no improvement in the time things take, or in the quality of relations between Council, Commission and Parliament, which have slowly deteriorated, unless we make changes in acquired habits and mutual distrust.

Third and final question: is it not just a handful of people who regret that things are not going well? Is it not just an isolated few who condemn the chaos which is becoming so widespread? The answer is plain: it was the President of the Commission himself, as soon as he took office, who placed the emphasis on making the institutions work in a more satisfactory way, and only yesterday he confirmed his opinions in this very Chamber, but it was also the Heads of State and government who, over the past few months, have said that the Community must be made more effective. This situation has not arisen overnight — there have been projects, plans and reports over the years, on which no action has been taken, even though they were requested in the first place. That is why there will be a slow and irreversible decline unless there is some action.

Madam President, ladies and gentlemen, few phrases have been so much bandied about as 'fresh impetus'. The truth is that so far we have had only one — the Messina Conference of 1955 which led to the Treaty of Rome. Such a fresh impetus is, today, the only possible response of our three institutions, provided that it is of the same calibre as the first was.

One final thought: if we set up this *ad hoc* committee, will any notice be taken of us? The answer is 'yes', because what we are talking about is questions raised by a determined parliamentary assembly. If we reject the idea we shall be failing in our duty and entitled to the justified criticism of the other two institutions. That is why I ask you to support the motion: only by doing so can we claim the right to be regarded by the Commission and the Council as a fit partner for dialogue on this question.

President. — I call Mr Seefeld.

Mr Seefeld. — (DE) Madam President, ladies and gentlemen, I should like to express the support of the Socialist Group for the Diligent Report and at the same time comment briefly on that document.

Seefeld

At a time the Council is emerging more and more clearly as a mouthpiece of the national governments and less and less as a European institution, the Commission now has only the assistance of the European Parliament in acting as the powerhouse of European integration. However, by virtue of the structure dictated by the Treaty of Rome, the European Parliament alone is not in a position to get done what is necessary for the European Community and for the people we represent here.

Ladies and gentlemen, we need help in carrying out the mandate given us by our voters. For instance, an immense amount of assistance could be forthcoming from the national parliaments through closer cooperation with the Members of those assemblies. If only we could convince our colleagues in the national parliaments of the merits of our case, they could press the case for whatever is seen to be in their and our common interests and in the interests of our voters with the national governments. Our colleagues in the national parliaments have more 'pull' than we do. The national parliaments can bring down national governments, something which we cannot do. The national governments have to stand up and explain their motives and their policies in the national parliaments, day in, day out. Here in the European Parliament, we often get wishy-washy answers because Presidents-in-Office of the Council express themselves in cautious diplomatic terms which often amount to even less than nothing.

The aim of the Diligent Report is to strengthen cooperation. In the explanatory statement, it says that the links between the two upper levels — i.e. the European and the national level — must be improved, and that we must make full use of the variety of opportunities offered.

Madam President, ladies and gentlemen, I can only hope that the first attempts we have made here in this House will be the start of something much bigger. I hope that, in a wide number of fields, we shall cooperate with our colleagues in the national parliaments in trying to discuss those matters which are important and which we should like to see implemented. On the basis of the limited experience we have had so far, I am quite sure that, given sensible ideas, we shall gain the support of our colleagues from the same parties in our national parliaments.

The European Parliament needs the support of the national parliaments so that our national counterparts will join with us in lobbying the national governments to gain acceptance of the solutions we believe to be right, and to ensure that these solutions are implemented by the Council of Ministers. Close cooperation is essential. The Council, which comes in for so much stick from us, must be made aware of its duties as a European institution with the support of the national parliaments. As such, the Diligent Report,

which we support in the interests of our future work, is of major importance.

President. — I call Mrs Charzat.

Mrs Charzat. — (*FR*) Madam President, ladies and gentlemen, I should like to make a preliminary remark before turning to Lady Elles' report on Parliament's role in political cooperation and the basic questions it raises.

First of all I should like to know what type of Europe we wish to create. The functioning of the European institutions has continued to keep pace with the increasing cooperation between the Member States in external policy.

At a time when Europe is in the throes of the economic crisis and has 10 million unemployed, it is important to know whether political cooperation on an European scale, naturally as a corollary of the functioning of the European Institutions, can be modified simply by changing the institutional balance or whether, on the contrary, we ought not to demand that a new political and overall approach to the European situation be found. For my part, following the 20th Council in Luxembourg, I believe that the progress made in building Europe and developing a European identity is more than ever before linked to a common determination to bring Europe through this economic crisis in which it runs the risk of being torn apart by the force of national self-centredness. The fight against unemployment and against economic recession cannot be conducted without a vision of an independent and united Europe. The economic challenges in Europe call for the development of common policies and the setting up of a European social area. In fact, the key to any radical improvement in political cooperation in Europe lies in preserving and furthering what the Community has already achieved. The preparation and implementation of common policies strengthen the European Institutions and their cooperation. Conversely an excessively hidebound attitude towards the functioning of the Institutions and the system of political cooperation would in my opinion be incapable of giving fresh impetus to a crisis-stricken Community. In this context the main proposals put forward in Lady Elles' report are likely to keep, or place European political cooperation in a bureaucratic rut.

The first proposal concerns the principle of the consultation procedure between the Ten. Since 1969, a flood of texts has appeared on this subject. The Copenhagen Declaration in 1974, on the European identity, made perfectly clear the Member States' commitment both towards themselves and towards the rest of the world with regard to political cooperation. European political cooperation is only effective if it is pragmatic. It must be a flexible instrument available to the Ministers.

Charzat

Second proposal: the cooperation procedure for emergencies, as put forward in Lady Elles' report, does not really break any new ground with respect to the Luxembourg and Copenhagen reports. Would cooperation become more effective if it came into operation automatically once three Member States expressed the desire to see procedure used? I think there is room for doubt here. The Presidency actually has a great deal of room for manoeuvre when assessing whether cooperation should or should not take place, and this exists within the framework of procedures which do not affect one of the ground rules of political cooperation, namely that there should be a consensus among all Member States.

With regard to the third proposal in the report, the undertaking to formulate a common foreign policy, it must be stressed that political cooperation as it is at present does not amount to a common foreign policy, which can only be the ultimate step in completing the European identity on the basis of common policies.

It is not until a Europe of the workers has achieved comparable social provisions throughout Europe that a common foreign policy will be possible. After three decades of building the Community, a good deal more progress is needed before Europe can speak with one voice in the field of diplomacy and merge into a single body on international policy. Thus — and here I come to the fourth point — the creation of a permanent secretariat answerable to the Foreign Ministers would, by setting up a bureaucratic structure, be putting the cart before the horse.

As for the sort of help which a secretariat of two or three people could give the Council Presidency, it should be pointed out that it is already the case that the outgoing Presidents provide the President-in-Office with a number of staff, and in turn the President-in-Office takes on a number of staff of the future Presidency in order to ensure the continuity of political cooperation.

If, in a future Community of the Twelve, there is to be an administrative infrastructure, an embryo of an international organizational structure, there would be the problem of where it should be located and what form it should take, and this could not be done in addition to the Community and alongside NATO.

As Lord Carrington said in an interview with a Paris newspaper on 29 June last, 'It is not desirable to set up a new bureaucracy'.

As regards the fifth and final point, it seems to me inadmissible that political cooperation should be formally extended to include *security*. Paragraph 4 of the motion for a resolution uses the term *security* in such a way that it could also apply to defence.

Defence is not a matter for European political cooperation, since defence and security are the sovereign responsibilities of each nation and each Member State.

In conclusion, it seems to me that those suggestions are particularly positive which are likely to enable the European Parliament to make its voice heard more clearly in the major international forums. Whether it is the problems of GATT, the FAO, the ILO, the law of the sea or UNCTAD which are being discussed, no one doubts that the delegations of Members of the European Parliament appointed to the national delegations by the governments will make a positive contribution to establishing fruitful contacts with regard to international cooperation.

To quote an exemplary contribution, I would remind you of the attendance of Members of the European Parliament at the UN Conference on Women's Rights held in Copenhagen.

Europe can only affirm its identity in political cooperation if it knows how to tackle its problems.

President. — I call Mrs Lizin.

Mrs Lizin. — (FR) Ladies and gentlemen, my speech will also be devoted to Lady Elles' report on political cooperation but it will echo the views of the majority of my Group. This report was actually adopted unanimously by the Political Affairs Committee because it coincides with most of the aspirations of the Socialist Group and because it follows the broad lines of the amendments we tabled while the Committee was sitting.

The framing of a European foreign policy is part and parcel of the creation of Europe and a vital factor in its ability to function on the world stage. We must, therefore, now see to it that this policy is granted the means to exist in a very sensitive area in which all States stand very much on their own dignity and in which very often each country tries at all costs to maintain its influence in specific areas. The outcome of this has very often been that political cooperation, as it now stands, is actually the smallest common denominator of our various foreign policies. For example, the Moroccan problem is not covered because it is held to be France's private preserve. The same is true of Zaire because it too is felt to be a private preserve. All of this means that the chances of establishing a united and discriminating European stance are reduced.

Two points are important, in our opinion, in trying to improve the mechanisms of political cooperation. Firstly, the number of subjects dealt with should be increased. In this respect, the final version of the report is satisfactory. It is important that these topics may be extended to cover the whole field of security. Some Members will perhaps involve arms in this. We in the Socialist Group feel that such political subjects are better dealt with in normal political exchanges rather than at military level. This is why we are pleased

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to see more political topics covered, because we shall talk about disarmament and peace for Europe and its people at such meetings.

The second issue is that of the permanent secretariat. We feel that the setting up of such a body is a step which must be taken with care if we are to avoid a lull in political cooperation. The European initiative on the Middle East showed that the present system of an itinerant Presidency with no permanent offices made it impossible to carry out any really lasting acts of diplomacy. Although it is wise to wish to move slowly towards setting up a structure based on the diplomatic services of the Ten, we feel that, ultimately, such a structure ought to be established on the Council infrastructure and act as a link with Parliament's work. Consequently I shall vote in favour of Mr Hänsch's amendment which states that this permanent secretariat should be situated in the city in which the Council meets most frequently.

Adding a new dimension to political cooperation is one thing, placing it under the democratic control of Parliament is quite another, and in our view the latter is the more important of the two. On this point as well, the report is satisfactory for us. Because, when one has practical experience of the open scorn — even though it may be shrouded in a veil of diplomacy — which the Directors-General of the Political Committee show towards their respective Parliaments, but perhaps to an even greater extent towards us then one can see exactly just how far we still have to go . . . But this House has shown — by the initiatives which it has taken and which have given it a role in international politics, such as the invitation to, and attendance of, President Sadat — that it can no longer be treated scornfully. The establishment of systematic procedures aimed at real and wide-ranging cooperation has become necessary. In order to become a player on the world stage, it is not sufficient, as is stated in lectures on public law, to have a territory, a population and an army, States, or groups of States, need to have in addition an overall vision of their economic, political and even moral objectives. This is what political cooperation, if pursued correctly, can contribute to Europe. It would be dangerous for it to remain in the hands of civil servants.

Its very basis is the outcome of options and decisions which commit the whole future of our peoples, options and decisions which must be arrived at democratically and in which this House should play its part to the full.

President. — I call Mr Hänsch.

Mr Hänsch. — (DE) Madam President, the final paragraphs of the reports produced by Lady Elles and Mr Van Miert — in which we usually instruct the President of Parliament to forward the resolution to

the Council and Commission — contain a phrase which is procedurally somewhat ambiguous. In both cases, the accompanying explanatory statement is forwarded along with the resolution, and this may give rise to a misunderstanding inasmuch as Members may think that the House is at the same time voting on the explanatory statement. We must ensure that this is ruled out, so that we can adopt a clear line in all future cases. What we are in fact voting on here is the resolution alone, with the result that only the resolution can be duly forwarded.

Otherwise, I should only like to say that Mrs Lizin has just made an excellent job of expressing what I wanted to say on Lady Elles' report, and as a result there is nothing I need add.

President. — I call the Commission.

Mr Andriessen, Member of the Commission. — (NL) Madam President, it has been pointed out in the course of this debate that the institutional debate is as old as the Community itself. This is in fact the case and I think things will remain this way, not only because we are still far from our ultimate objective, but also because Europe is a dynamic entity which must continue to develop, which in turn means that the institutional bases must constantly be considered and reconsidered. Thus, the fact that this important debate is taking place today, by no means merely reflects a situation which has as yet not been settled, but is also evidence of the vitality of this Parliament which wants to take stock of its own position in the course of history and which is trying to direct developments along new lines. For this reason, Madam President, I should like to begin by thanking the various rapporteurs for their reports and those who have taken initiatives which go beyond the current institutional problems insofar as they are covered by the Treaties. I do not think it is going too far to say that the various documents have been excellently prepared and presented.

The high level at which the debate on this important issue has been conducted during these days lead me to hope that things will go better in the institutional field in the future than in various other fields in the Community in recent years. At any rate, I can say that, for the Commission, this preconsultation — to use the jargon of this debate — has been a rich source of inspiration which we will be glad to draw on when we come to produce the *document de synthèse*.

In his speech yesterday, Mr Thorn placed the institutional debate in a broader context. He drew attention — in the report on the mandate, which we have amplified — to the need to develop European policy and to bring about further integration in several fields. If these aims are to be achieved, it is vital that the Community should be adequately equipped from the

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institutional point of view so that it can outline, draw up and finally implement this policy.

Secondly, the people of Europe must also have a say in policy of this kind and for this reason the Commission regards it as vital that the European Parliament, as the directly elected representation of the people of Europe, should be able to exert a real influence on the drawing up and implementation of this policy. The Hänsch and van Miert reports in particular deal very specifically with the problem of finding ways of increasing this influence at all the various stages in policy-making, i.e. preparation, formulation and implementation. The Commission shares the view that Parliament's influence in these areas is at present inadequate, but I must unfortunately add that the Commission too has come to have less influence over the last few years as a result, as I see it, not so much of a lack of political courage or ingenuity on the part of the Commission, but more as a result of the fact that the Council has become increasingly intergovernmental in character. The Council lets itself be too much dominated by the interests of the national capitals and is less and less the Community institution aimed at finding ways of integrating Community interests which it was intended to be.

A clear example of this is the fact that the Council sometimes fails to discuss proposals which it has itself invited the Commission to submit, for example, as regards transport policy. This is connected with the fact that — and this is something which very many speakers have gone into in great detail in this debate — decisions are made in the Council by consensus in practically all cases. Unanimity is unfortunately not the exception but the rule and this has led to a shift in the institutional balance which has undoubtedly been at the expense of the Commission too. All I am saying is that the role of the Commission and its relation to Parliament are of the utmost importance but it is equally vital, if Parliament is to have a substantial influence on the decision-making process, for the institutional balance to be reestablished and for the decision-making process within the Council to be made more efficient, i.e. by introducing a system of majority votes. A return to a situation in which the Treaties operated as they were intended would in itself represent an important contribution to solving the problems before us here today.

Madam President, in the Commission's view, today's debate is an opportunity for the various institutions to do some heart-searching and consider the ways in which, by means of their procedures, they can contribute to optimum efficiency in the decision-making process, and inasmuch as the debate contributes towards this, it can already be regarded as successful even though the ultimate aim and the Commission has no objections — is that it should result in concrete proposals by the Commission in the document to be produced in September. Obviously, I cannot make too many predictions. In our view, this debate will help us

find our bearings and will be an exceptionally useful preparation for drawing up this document and the subsequent debate in the course of this year. In the Commission's view it would not be doing justice to the importance of the question in hand and the high quality of the contributions made if we were to be too hasty in taking a stance with regard to all the individual aspects of the various reports. However, it may have become clear from what I have said that it is not anticipated that the negative view which has provisionally been taken with regard to the proposals will change. However, I think I will be able to say more later this year than is possible today.

Madam President, the central issues in today's debate, and of course in the follow-up in autumn too, are the extent to which the European Parliament can use or extend its influence on the decision-making process in the Community and the extent to which it can use the Commission for leverage, as it were, since it is a fact that owing to the shift of balance between the institutions and the difficult way in which the Council operates, it has become still more difficult to get a direct hold on the ultimate decision-making body in the Community, i.e. the Council. For this reason, the Council too must be, so to speak, forced to participate in the institutional debate. It is perhaps not so much a question of whether and how the Commission will let itself be used — or occasionally misused — for this purpose, but more a question of the Commission's political position in its relations with Parliament.

I should also like to say that Parliament has approached this debate realistically. I might remind you of the observation made by Mr Prout on behalf of the Legal Affairs Committee — with the support of Mrs Focke, among others — to the effect that Parliament must first of all fully exploit rights which it already has. I would also remind you of the point made by the Chairman of the Political Affairs Committee, Mr Rumor, when speaking about small steps. This in no way means — and Mr Thorn drew attention to this yesterday too — that the Commission would oppose the ideas and initiatives which have been discussed here, i.e. the proposals to go beyond the existing Treaties with a view to amending them or even introducing a new Treaty. On the contrary, the Commission takes the view that these two ideas are in line with each other except that — certainly as far as the small steps in the context of the existing Treaty are concerned — account must naturally be taken of the individual responsibility and competency of the various Community bodies.

I should like, against this background to make a number of comments on the basis of the various functions of this Parliament. I should like to make it clear — as Lady Elles, among others, has also explained — that it is not so much a question of formulas, procedures or methods, however important good procedures may be in a democracy, but more of mentality and mutual respect. Obviously, it is not for the

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Commission to tell Parliament how it should carry out its controlling function. I am sure Parliament knows perfectly well itself. It has enough opportunities and I must say that I have noticed that it is sometimes very effective in practice. What I would like to say is that the Commission is fully prepared to be 100 % at Parliament's disposal so that it can really carry out its controlling function. This means that we would like to be as open as possible in providing information either at the plenary assembly or in the Committees. It also means that we are fully prepared to take account of these proposals and to inform Parliament or the Committees of the line the Commission is taking in the decision-making process, particularly as regards amendments introduced by Parliament. 'Information, openness and consultation' shall be our motto, with a view to helping you carry out your controlling function as effectively as possible.

Madam President, a major proportion of the debate yesterday and today has been devoted to Parliament's possibilities for influencing the legislative procedure in the Community, in other words, the extent to which its consultative function may develop into a real influence on the decision-making process and hence the actual policy adopted.

Firstly, it is perhaps a good idea to repeat once more what Mr Thorn said regarding the Commission's own position. One of the most important prerogatives of the Commission is its right to initiate legislation and we wish to maintain this prerogative — indeed we think it would be unfortunate if Parliament's powers were to be extended at the expense of the Commission's independence. However, the opposite is perhaps more likely, i.e. that a strong Commission would automatically strengthen the position of Parliament. I agree with Mr Irmer that the Commission should make use of its prerogatives vis-à-vis the Council too. I can assure you that, as the President said when presenting his programme in February, the Commission also endeavours to do this in practice. I am pleased at the fact that this figures very clearly among the ideas contained in the Van Miert report.

Having said this, it is also easier for me to tell you that the Commission fully realizes that Parliament's position, regardless of the stage the decision-making process has reached, is in many cases an unmistakable political fact which the Commission should and will take very much into account. If it does not agree with Parliament's opinion it will say so quite clearly since, in the Commission's view, it has a right to act on the basis of its own views, which may not coincide with those of this Parliament, but at the same time the Commission is, we think, accountable to Parliament in this regard.

What this means in practical terms is that we agree with Parliament that in the case of major issues, for example, decisions of fundamental importance for the development of the Community, it is extremely useful

for the Commission, before tabling proposals, to take the political temperature, as it were, and find out what Parliament thinks of our intentions. This can be done more informally in parliamentary committees, which must therefore be given the necessary powers by Parliament, or along perhaps more formal lines on the basis of green papers presented to the plenary assemblies. As regards Parliament's own-initiative proposals, here too the views expressed in Parliament are obviously political facts which the Commission should take very much into account and, generally speaking, this is what it will do. So much for the preliminary consultation phase.

As I have already explained last Monday in answer to questions by Mrs Hammerich, I take a positive view of the opportunities afforded by Rules 35 and 36 of Parliament's new Rules of procedure as regards the consultation procedure. As I explained on that occasion, I regard these provisions more as optimizing Parliament's powers than as undermining the powers of the other institutions. I should like to add that I can easily go along with the ideas underlying paragraphs 12 to 15 of the motion for a resolution by Mr Hänsch and paragraphs 6 to 10 of the motion for a resolution by Mr Van Miert, with the proviso that on the one hand we must respect the prerogatives of other institutions in this area too and on the other hand that the actual form these things will take calls for further discussion.

I am therefore grateful to Mr Van Aerssen for pointing out that flexible and pragmatic solutions must be found to these problems and, of course, for the complementary remarks he addressed to me.

Madam President, what all this means, as the Commission sees it, is that it should and will always take full account of the implications of Parliament's amendments and, more important, the implications of the rejection of a Commission proposal. The Commission also realizes that this procedure inevitably involves an element of consultation between the Council and the Commission and it is prepared to enter into consultation of this kind. However, it is not prepared to let things become automatic. The Commission wishes to maintain the right to say why it cannot go along with Parliament in one way or another, and I think this must be my answer to the specific questions put by Mr Patterson.

Madam President, you know as well as I do that it occasionally happens that certain proposals are rejected because groups with diametrically opposing views manage to reach agreement, whereas it might well be that the Commission proposal is the most balanced and reasonable. Secondly, Parliament should — again together with the Commission — beware of its internal procedures blocking the decision-making process proper, since we have a Community policy whereby all the various institutions are responsible to themselves in all their dealings, but over and above this

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we have a joint responsibility to the future of the Community. Finally, I should like to say that if Parliament wants to use the Commission in this procedure to give it some leverage with a view to gaining greater influence on the decision-making process — whilst basically taking account of each other's own responsibility, the Commission is in favour of this. As I have already pointed out, the Council is a vital element in the entire decision-making process and this is the way things are, whether we like it or not. For this reason, it is absolutely vital that the Council should be actively involved in the institutional debates — and as soon as possible, in my view. However, an element of commitment will be required. The Council too must be made to realize its own responsibility. I go along with several members of this Parliament in regarding the consultation procedure as a good way of approaching this problem.

I agree with those who said that this procedure leaves room for improvement. It also strikes me as a suitable opportunity to extend this procedure to cover more areas of policy. Quite apart from this institutional debate, we have discussed a number of subjects over the last few days which in principle would lend themselves very well to consultation between the Council, Commission and Parliament.

Mr Thorn spoke of a 'second-generation Europe'. I agree with him that Parliament's voice must also be heard in working out what form this Europe should take. At the moment, the area in which the European Parliament can exert most influence is the budget and it had its powers in this field by no means handed to it on a plate. Quite the reverse, it had to fight for these powers, and not without success. Perhaps it is good for a representative of another institution to make this point in public for once. The resolution of May 1981 tabled by the four rapporteurs for the 1980 and 1981 budgets, i.e. Mr Dankert, Mr Adonnino, Mr Irmer and Mr Simonet, proposes general consultation with the Council regarding all the problems which the current budgetary procedure involves and on which differences of opinion have arisen, with a view to finding solutions which respect or restore the powers of the European Parliament. The Commission is to take part in this consultation and contribute as much as possible to finding approaches which might result in a more efficient budgetary procedure. I can assure you that we give high priority to the respect of Parliament's competency in this respect.

At this stage, I should like to comment on one single point contained in the motion for a resolution by Mr Hänsch, i.e. paragraph 19(d) where it is stated that transfers of appropriations are a matter for Parliament's decision-making structure and that the Financial Regulation should therefore be amended accordingly. It is, I think, important to point out that, according to the third paragraph of Article 205 of the Treaty, this responsibility lies with the Commission. I

think therefore that this proposal would upset the balance between Commission and Parliament and, furthermore, that it is not necessary for an effective implementation of the budget.

Madam President, if I have mainly dealt with the Hänsch and Van Miert reports, this does not mean that I do not appreciate the major importance of the other reports on the relations between the European Parliament and the national Parliaments, i.e. the Dilligent report, and the relations between the European Parliament and the Economic and Social Committee, i.e. the Baduel Glorioso report. At any rate, the distinction between economic and political cooperation is often only an artificial one. These two forms of cooperation are interrelated and should overlap to a greater extent, as has already been pointed out in the Tindemans report. I also think that Lady Elles was right in pointing out in her report that the extent to which the European Parliament is involved in European Political Cooperation must be increased. There is a whole complex of relations and areas of policy which must jointly contribute to the further development of the European Community.

Madam President, one final remark. Apart from the Abens resolution, Parliament has restricted itself today and yesterday to a debate on interinstitutional relations within the framework of the existing Treaties and in the light of the existing distribution of competency. This does not mean, however, that it is not looking further in the direction of a revision of the Treaties in such a way as to increase Parliament's powers. I should like to repeat that I am in favour of initiatives of this kind which I see as evidence of the vitality of this Parliament. I think it is a good thing, therefore, that initiatives such as this — for which Mr Spinelli is responsible on the basis of previous suggestions made in this Parliament by, for example, Mr Jonker — have been taken by the European Parliament. I should like to stress once more that small steps taken within the context of the existing Treaties are complementary and, are not always necessarily small as regards their consequences with a view to a further development of the Treaties.

Madam President, this, as I see it, is the importance of today's institutional debate and I therefore attach the utmost importance to an improvement of the existing situation which will be possible over the next few years. It is also vital, therefore, that the document which the Commission is to submit to Parliament in September should be a substantial piece of work since the basis for progress in Europe in the 1980s must be established before the next elections to the European Parliament if we are to be able to reap the benefits in the period following them.

President. — The debate is closed.

5. Votes¹

President. — The next item is the vote on several motions for resolutions.

We shall begin with the *motion for a resolution (Doc. 1-889/80/rev.) by Mr Abens and others: Ad hoc committee on the progress and development of the Community.*

First indent of the preamble — Amendments Nos 4 and 11

Mr Spinelli. — (FR) Madam President, I am in favour of Mrs Focke's amendment which, if it is adopted, will mean that the Price amendment will fall.

President. — I am sorry, Mr Spinelli, but the two amendments are regarded as compatible.

Mr Spinelli. — (FR) Very well. We are therefore in favour of Amendment No 4 and against Amendment No 11.

(...)

After the second indent of the preamble — Amendment No 12/rev. II

Mr Spinelli. — (FR) We are in favour, apart from the separate vote. I think the EPP Group will be making a statement.

(...)

After the adoption of paragraph 1 of the amendment

Mr Blumenfeld. — (DE) I withdraw subparagraphs 2 (a) and 2 (b) and paragraph 3. Only the preamble of paragraph 2 is left as a result.

(...)

President. — Explanations of vote may now be given.

Mr Petersen. — (DA) Madam President, I intend to vote against all six reports, since Danish social democracy is in favour of European cooperation between sovereign states. We are not therefore in favour of changing the relations between the Community institutions. We do not wish Parliament to have more power and we reject any attack on the right of veto.

Furthermore, the six reports are unrealistic and lacking in a sense of proportion since in practice all ten Member States demonstrate that Europe is not to become a crocodile Europe. The time is not ripe for this Parliament to be given greater powers. However, it is high time that the people of Europe, who are also represented in this House, did something serious about the crisis, and this will only be possible if we understand that a crisis is something we must make use of in order to bring about a transformation of our entire way of life and production apparatus. However, where are the debates in this Parliament which might act as an inspiration for the people of Europe in this difficult changeover? There aren't any. Instead we are bound up in all sorts of trivia. If my great-grandson turns round in 20 years and says to me, 'Great-grandfather, what were you doing during the great crisis which changed the world?' I will not want to reply that I was building castles in the air, as this Parliament has been doing today. I therefore intend to vote against all the reports.

Mr Skovmand. — (DA) Madam President, in explaining why I intend to vote against the reports, I should like to try and make you understand a problem which is becoming increasingly embarrassing for the Danish members who feel a commitment to the constitution of their country which contains very firm guarantees regarding the extent to which Denmark may surrender sovereignty. Paragraph 20 of the constitution states that the transfer of Danish sovereignty to international bodies can only take place to a clearly defined extent, i.e. in those areas covered by the Treaty of Rome, in the case of the transfer of Danish sovereignty to the Community. However, the extension of the powers of the European Parliament at the expense of the national parliaments, as advocated in the report before us today, falls completely outside the Treaty of Rome. Parliament is therefore trying to force a constitutional conflict between the Community and a Member State which in turn will lead to a conflict between loyalty to the Community on the one hand and loyalty to the constitution of their country on the other in certain Danish members.

Mr Bøgh. — (DA) Madam President, the subjects which have been discussed in this report and during this part-session in general, have all had one common feature, i.e. if the proposals are put into practice this will mean that the promises made by the major pro-Community parties in Denmark to the voters on the occasion of the referendum will have to be broken. This is true in the case of the proposal for budgetary reform as regards amending the agricultural regulations and abolishing the VAT ceiling. It is also true in the case of the proposals to abolish the right of veto. It is true in the case of the transfer of several million kroner from Danish public funds to the United Kingdom. It is true in the case of all the plans to extend Parliament's powers and it is true above all in

¹ The report of proceedings only includes those parts of the vote which gave rise to speeches. For a detailed account of the voting, refer to the minutes.

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the case of the attempt made by Lady Elles in her report to legalize common foreign policy, which would be in conflict with the Treaty of Rome. We cannot accept any of this and I must therefore vote against all the reports without exception.

Mrs Hammerich. — (DA) Madam President, it can surely not only be the opponents of Danish membership of the Community who feel that they must vote against the series of proposals which we have been dealing with this week. I am convinced that the problems must be much more difficult for other Danish Members who would basically like to fit in with Parliament's expectations, but at the same time respect electoral promises, treaties and laws. I simply fail, therefore, to understand how Mr Kirk, who belongs to a Party which made various solemn promises to the voters including one to the effect that the right of veto would be maintained, could get up here yesterday and ask whether or not it would be undemocratic for the opponents of the Community to oppose the extension of Parliament's powers. In our view it is we who are keeping on the side of democracy and we therefore intend to vote against this proposal.

Mr Bonde. — (DA) I do not quite understand why it should be so difficult to get a hearing in this House. The representatives of one viewpoint have the same total speaking time in minutes as the representatives of another point of view in hours. However, as the exception which proves the rule, I shall be glad to take up Mr Brandt's challenge to speak a language other than the one I normally use. This means my explanation of vote will be in the North Schleswig dialect since I am sure my mother tongue is almost as good as Niels Jørgen Haagerup's English, and the language of North Schleswig has in the past been used to say no to a proposed union. We have tried out the idea of letting everyone make the decisions. We have seen what it is like to use a language other than one's mother tongue. We have even seen people of North Schleswig thrown out of the country for teaching their children to write Danish after school. Some of us continue to speak Danish regardless of how much people claim that Danish tends to distort competition and acts as a technical obstacle to trade. Some of us will never accept the plans for a union, which we are to vote on here today. We will oppose the proposals and urge all the people of Denmark to take these plans and throw them on the scrap heap.

Miss Quin. — Reluctantly, and for rather different reasons to those that have just been given, I also shall vote against this resolution. I support many of the things that are said in the resolution concerning institutional reform in Europe which, I think, is very necessary because the present decision-making procedure is not working well. It is long-winded, it is undemocratic and it is confused. However, I am voting

against it as a protest against the way this Parliament showed its inability to make an effective decision concerning its own place of work this week.

(Applause)

It was unable to come out in favour of a single meeting place and I note that many of the signatories to the Crocodile Club resolution are among those very people who this week voted in favour of the institutional status quo and were unable to come down specifically for one place or another. Therefore it is with great disappointment that I must conclude that Parliament is just not able to take decisions which will make it more effective in the near future.

(Applause)

Mr Baillot. — (FR) Madam President, the French Members of the Communist and Allies Group will not be voting in favour of the Abens motion. The fact is that we do not think the solution to the problems of the Community lies in creating new institutional measures and the setting up of an *ad hoc* committee for this purpose.

As Mr Thorn said during the debate, if only we could get back to the Treaties, everything would be fine. It is obvious that some improvements have to be made to the way the institutions work and my colleague, Mr Denis, made some proposals along these lines when he spoke this morning. We want this Assembly to carry out its supervisory duty. We want consultation and concertation between the various Community institutions, but we are dead against any substitution or blurring of powers.

Lastly, we believe that the essence of these improvements lies in strengthening contacts between this Assembly and the people of Europe, with all kinds of organizations, especially the trade unions, and taking proper stock of the actual economic, social, cultural and political circumstances in the Community. It is our belief that the authority of this Assembly and its impact on people depend on ensuring that the institutions which mean something to us are democratic.

Mr Griffiths. — Madam President, like Miss Quin I will not be supporting this resolution, which aims to improve the effectiveness of the work of the European Parliament, because of the incredible display of ineffectiveness made by a majority in this House on Tuesday, including many who signed this motion. Twice in the vote on the Zagari resolution there was a majority for the principle of a single working place; yet on the several votes which gave Members the opportunity to decide where that place should be, there was a miserable, even cowardly, failure to make a decision. During the last six months there has been a majority of Members attending this Parliament regu-

Griffiths

larly demanding a decision from the Council on a single seat for the Parliament, and there was almost universal condemnation of the Council when they failed to produce a decision at Maastricht. We have now been made a laughing stock by failing to make a decision of our own. It was amazing to note that there were more Members here to vote on the seat of the European Parliament than there were for the reform of the CAP.

Indeed, there were Members present who scarcely seemed to darken the doors of this Parliament and its committees. Members who in the past have shown little or no interest in the work of the European Parliament or the efficiency with which this work is carried out. Members have crawled out of the crumbling woodwork of the European Parliament to highlight even further the lack of credibility and self-respect of this institution. These Members were crucial in providing the majority which blocked any effective move to a single site where the European Parliament would have had the chance of doing its work efficiently, unhindered by the problems of multi-site operation and the additional cost of about £ 18 million required to keep this cacophonous caravan careering, careless of cost and constraints upon Members' effectiveness, around the Community. We missed the chance on Tuesday to make a decision . . .

President. — You have exceeded your speaking time, Mr Griffiths. I therefore call Mr Pannella.

Mr Pannella. — (FR) Madam President, I am not sorry that this Parliament did not decide in the last few days to go and work in the Commission and NATO basements. I am happy about it for the time being, even though I am not yet quite satisfied.

But I am not at all satisfied, Madam President, by the fact that this Parliament does not allow every political grouping and every Member to take part in the debates. Your Rules of Procedure are blocking us now because we have only a minute or a minute and a half to say what we think about this document.

Madam President, by way of protest against what is unworthy of a parliament and also because everything has been deferred until December when we shall have a lot of business to deal with, and even though I put my name to this motion, and since I have no faith in the majority here, let me say that I shall be abstaining.

Mr De Pasquale. — (IT) Madam President, the Italian Members of the Communist and Allies Group will be voting in favour of this motion for a resolution. We think that the — I believe — large majority by which Parliament is going to pass this motion is the most important political move we have ever made, since it imposes major responsibilities upon us.

Ladies and gentlemen, we are embarking upon a course fraught with difficulties and dangers, but we are confident that the European Parliament will have the strength to follow it right to the end.

(Parliament adopted the resolution)

President. — We shall now consider the *motion for a resolution contained in the Hänsch report (Doc. 1-216/81): Relations between the European Parliament and the Council.*

(. . .)

Second indent of the preamble — Amendments Nos 3 and 17

Mr Hänsch, rapporteur. — (DE) Madam President, Mr Israel's amendment does not reflect the real situation and Mr Prout's amendment is not in line with the text of the Treaty. My text is closer to the Treaty. I am therefore against both amendments.

(. . .)

Subparagraph (a) of paragraph 1 — Amendment No 6

Mr Hänsch, rapporteur. — (DE) I am against this amendment, Madam President. The text was adopted by the committee exactly as it stands in the report.

(. . .)

Subparagraph (a) of paragraph 2 — Amendment No 20

Mr Hänsch, rapporteur. — (DE) Madam President, I am against this amendment as well. The text in the committee report was the outcome of a long and difficult debate which eventually led to a compromise. For this reason we must stick to the committee's text.

(. . .)

After subparagraph (e) of paragraph 2 — Amendment No 13

Mr Hänsch, rapporteur. — (DE) I am against, since it is outside the scope of this report. It has no place in it.

(. . .)

Paragraph 4 — Amendment No 21

Mr Hänsch, rapporteur. — (DE) I am against, since the committee decided by a large majority to include only the basic principles and not the details of the

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Council's internal work in the report. This is a detail, and I am therefore against it.

(...)

Paragraph 11 — Amendment No 1

Mr Hänsch, rapporteur. — (DE) I am against, Madam President, since this takes us away from the line we decided to follow, namely, to keep within the framework of the Treaties.

President. — I call Mr Klepsch.

Mr Klepsch. — (DE) My group requests a separate vote on subparagraphs 11(a) and 11(b).

(...)

Paragraph 12 — Amendments Nos 22, 16 and 7

Mr Hänsch, rapporteur. — (DE) I am against Amendment No 7 by Mr Israel. I am in favour of Amendment No 16 by Mr Fergusson, but I would point out that Mr Fergusson's text was incorporated as an addition in the existing text of paragraph 12. I am against Amendment No 22.

(...)

Subparagraph (c) of paragraph 15 — Amendment No 8

Mr Hänsch, rapporteur. — (DE) I am against. It completely changes the compromise which was reached with difficulty by the Political Affairs Committee.

(...)

After paragraph 17 — Amendment No 12

Mr Hänsch, rapporteur. — (DE) Madam President, the part of the report which deals with budget procedure was discussed with the Committee on Budgets. Mr Israel's amendment would invalidate this discussion. I am therefore against it.

(...)

Paragraph 18 — Amendment No 23

Mr Hänsch, rapporteur. — (DE) I am in favour, Madam President, but I would point out that there is an error in the last sentence of the German and Italian

versions. However, I think you have already been given the correct text.

(...)

Subparagraph (d) of paragraph 19 — Amendment No 15

Mr Hänsch, rapporteur. — (DE) This is a necessary correction. I am in favour.

(...)

Paragraph 25 — Amendments No 18 and 9

Mr Prout. — Madam President, the Legal Affairs Committee would like to add this paragraph to the next, rather than it should replace paragraph 25, and we should like to ask the opinions of the rapporteur on this.

President. — I call the rapporteur.

Mr Hänsch, rapporteur. — (DE) If the amendment represents an addition, Madam President, as rapporteur I am willing to let the House decide. In the Political Affairs Committee we had a long discussion which took a different course, but in my view the amendment as an addition is still possible. However, I am against Amendment No 9 by Mr Israel.

(...)

Paragraphs 26 and 27 — Amendments Nos 19 and 11

Mr Prout. — Exactly the same applies to my Amendment No 19, Madam President. I would like it to be added, rather than to replace Mr Hänsch's paragraph.

President. — I call Mr Irmer.

Mr Irmer. — (DE) If I may, I should like to ask for separate votes on subparagraphs (a) and (b) of paragraph 26.

President. — What is the rapporteur's position?

Mr Hänsch, rapporteur. — (DE) I am against Amendment No 11 by Mr Israël. As in the case of Amendment No 19, I leave it up to the House to vote as it wishes. Personally, I shall abstain.

President. — I call Mr Deschamps.

Mr Deschamps. — (FR) Madam President, do you not think that all these additions, when there are so

Deschamps

many of them, run counter to our Rules of Procedure which do not allow changes to basic texts unless the whole motion is referred back to committee? For myself, I have abstained on all these requests for additions which have been made.

President. — I must confess that in theory this is not in keeping with the Rules of Procedure. It was why I asked if there were any objection, because there is no provision in the Rules of Procedure for adding to something instead of replacing it.

I call the rapporteur.

Mr Hänsch, rapporteur. — (DE) I am definitely against the amendment in this instance, Madam President, because it contradicts the unanimous opinion of the Political Affairs Committee.¹

President. — I call Lady Elles.

Lady Elles. — I wonder in the circumstances, Madam President — since Mr Prout had asked if this could be added and presumably therefore did not wish it to replace paragraphs 26 and 27 — whether he could be asked if he wishes to withdraw this amendment on behalf of the Legal Affairs Committee.

President. — Mr Prout, are you withdrawing Amendment No 19?

Mr Prout. — Well, without convening a full meeting of the Legal Affairs Committee between now and the next vote, Madam President, I do not see how I can, and so I shan't.

(...)

President. — Explanations of vote may now be given.

Mr Israel. — (FR) Madam President, ladies and gentlemen, I have keenly followed every stage of the Hänsch report. I am very sorry to have to say now on behalf of my group that we shall be abstaining, since it is incredible that we should allow a whole chapter asking the Council to implement this or that working method. The fact is that the rejection of our amendment to paragraph 27 — the paragraph which 'urges members of the Council to make more frequent use of abstention in order to facilitate decisions' — seems quite ridiculous from the legal point of view. It is not

our job to teach the Council a method which it is supposed to use in order to facilitate our decisions. It is childish.

Mr Møller. — (DA) Madam President, when I leave this House this afternoon I would not like to be labelled as one who has infringed the Danish constitution by voting on these problems. I voted for the previous report, I will vote in favour of the one before us now and for the following reports too and there is no reason why I should not under the Danish constitution, since this does not involve the transfer of any competency whatsoever from the Danish Folketing to the Community. National competencies remain unchanged. What is involved here is a modest shift of emphasis between the Community's own institutions within the framework fixed by the Treaty of Rome. What we are doing here, therefore, is not an infringement of the Danish constitution since Denmark decided to accede to the Treaty of Rome by a 5/6 majority in the Folketing and a referendum.

However, I should like to add that, quite clearly, Parliament could rightly be accused of having been ineffective, and its opponents over there have taken every opportunity they could to make out that it is meaningless. An attempt is now being made to give Parliament at least some meaning, not at the expense of the national Parliaments, but at the expense of the other Community institutions, and the opponents of the Community are of course reacting as if this was in conflict with the Danish constitution. This is stuff and nonsense and we can therefore vote in favour of these reports without any qualms, so that Parliament may become a little more significant. For the rest, my compatriots over there know very well that proposals we adopt do not come into force by virtue of our adopting them, but only after they have been approved by other Community bodies.

(Parliament adopted the resolution)

President. — I call Mr Enright.

Mr Enright. — It is a point of order which I have brought up this morning, Madam President. I can see voting cards on empty desks, and these are open to abuse. So could I ask that something be done about it?

President. — We try to keep an eye on this, Mr Enright. I do not like Members to leave their cards behind when they leave because in my view that is how they lose them when they are gathered up. And then they do not have them when it is time to vote.

I also want to take this opportunity, Mr Enright, to point out that in the course of the afternoon a lot of people who are not Members of Parliament have been

¹ The rapporteur also stated he was: *in favour* of Amendments Nos 2, 10, 14 and 24; *against* Amendments Nos 4 and 5

President

sitting at Members' desks. Some of them have been people working for the groups, but there have been other officials as well.

This is forbidden, and I have pointed it out several times. Staff working for the groups must keep out of the Members' area and must stay at the back where they belong, instead of walking about the Chamber and even sitting down in the Members' seats. It is not allowed in any national parliament. We talked about this matter at a meeting of the enlarged Bureau yesterday, and we again asked the Quaestors to remind Members of the Rules of Procedure.

President. — We shall now consider the *motion for a resolution contained in the Diligent report (Doc. 1-206/81): Relations between the European Parliament and the national parliaments.*

(...)

Paragraph 6 — Amendment No 1

Mr Diligent, rapporteur. — (FR) There is a very simple reason I am against this amendment. We are not of course issuing any orders but we should like the national parliaments to allow European MPs to participate, without a vote, in certain committee work. Several countries are already doing this, especially Belgium and Denmark, I think. As a result, I feel it would be a step backwards if this amendments were to be adopted. Consequently, I would humbly ask Mr Ferguson to withdraw his amendment.¹

(...)

Paragraphs 8 to 12

Mr Kirk. — (DA) I want a separate vote on paragraph 10. It will take no time at all, although you will have to allow for the interpreting.

President. — I am sorry, Mr Kirk, but you are too late. I put all the paragraphs to the vote together. You should have asked for a separate vote before.

(...)

After the adoption of paragraphs 8 to 12

Mr Haagerup. — (DA) Madam President, I agree with Mr Kirk. There is a problem that if you listen to the interpretation, there is sometimes a little delay which means that one cannot keep up in the case of quick votes. I think, therefore, that I must defend Mr

Kirk's right to intervene here, since he could not hear that voting had started because there was quite simply and inevitably a delay in the interpretation.

Mr Kappos. — (GR) Madam President, we shall vote against the report because we consider that the proposals put forward, and especially those which seek to give the Members of the European Parliament the possibility of attending the national parliaments, involve a further change in the character and essence of the national parliaments. For the Greek Parliament this would be really out of the question.

Madam President, the real aim of these proposals is the further weakening of the national parliaments. The statements about the exchange of experience and so on are a mere excuse, since this is something which can be catered for.

Madam President, of course we may be described, on account of our negative vote, as anti-European, as indeed someone said yesterday. But we are, Madam President, neither pro-Europeans nor anti-Europeans. As we see it, we are struggling for the genuine interests of the Greek people, and these interests are in no way contrary to those of other nations. The essential element in our struggle is that we are against the monopolies and their political representatives.

Mr Kirk. — (DA) Madam President, first of all I should like to say that you must realize that those of us who come from a country which speaks one of the minor languages represented here in Parliament are forced to sit with headphones on most of the day. You must realize that it takes some time for us to react in some of the votes and if you are voting on 4 or 5 points at once, it takes a little time before we can react.

My explanation of vote is based on my feeling that the basis of this report is correct. It increases the possibility of ensuring representative democracy here in Europe and contact between the national parliaments and the European Parliament. This is fundamentally correct. I would have voted against paragraph 10 of the motion for resolution regarding the development of the European Parliament's information offices since I think with the way the information offices are working at the moment there are no grounds for extending them and increasing their staff. However, I intend to vote in favour of the report since, as I have already said, it is based on correct principles and I find it very surprising that the People's Movement against the EEC should, as a minority, oppose closer contact between the national parliaments and the European Parliament since the People's Movement itself has in fact attempted to establish closer contacts with the Danish Folketing and have written to the Folketing and the Chairman of the markets committee on this subject. Now, however, they are insisting that this is in

¹ The rapporteur was in favour of Amendment No 2.

Kirk

conflict with the Treaty and the Danish constitution. I find this very surprising but I nevertheless hope that this report will go through and I intend to vote in favour of it.

President. — Mr Kirk, I am very sorry and I really do understand the difficulties at the moment, especially as regards your language, but I must say that I cannot wait for the translation each time when it is just a matter of reading out an explanation of a vote which has been prepared in advance. The reason is that we are already two and a half hours late. I know I am calling the votes very quickly. I think you have to follow the documents as well as what I am saying. If there is a request for a roll-call vote or for a separate vote, it should be announced beforehand so that we know about it.

(Parliament adopted the resolution)

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* *

President. — We shall now consider the *motion for a resolution contained in the Baduel Glorioso report (Doc. 1-226/81): Relations between the European Parliament and the Economic and Social Committee.*

I call Mr Pearce.

Mr Pearce. — In your speech, Madam President, just before the last electronic vote you spoke at a speed which could not possibly be properly translated into English, never mind Danish. Now I really do urge you to have the courtesy to speak at such a speed that the rest of us can understand what you are saying, otherwise there is no point in saying it.

President. — I call Mr Beazley.

Mr Beazley. — Madam President, after listening to the English translation of your last statement, I should like, through you, to convey my congratulations to the English interpreter. I have never heard an English person speak so fast. Therefore I would like, through you, to extend my sympathy to my Danish colleagues. I think this is a very serious matter.

President. — I call Mr Sherlock.

Mr Sherlock. — Madam President, further to Mr Kirk's objection I would remind you and your assistants that even putting down in writing that the vote should be taken paragraph by paragraph is not of itself a guarantee that that will be done. In the resolutions on lead you adopted quite a different approach.

President. — I call Mr Hord for an explanation of vote.

Mr Hord. — Madam President, I shall vote against this report. At a time when we are concerning ourselves with improved communications with both the Council and the Commission, it seems totally unrealistic to have relations with the Economic and Social Committee. It seems to me that this is a report with a recommendation that two like-minded institutions should commit incest. The truth is that only one of the institutions is necessary, namely, Parliament. If we refer to the report we will see that the Economic and Social Committee is composed of producers, farmers, carriers, workers, people in professional occupations and so on. All those same categories, Madam President, are entitled to seek election to this House. Furthermore, this report calls for more hearings, more meetings, more paper, more time and more expense. I believe, Madam President, that this Parliament should initiate a proposal to dismantle the Economic and Social Committee, not back a report advocating more bureaucracy and an organization that has quite clearly been superseded by direct elections. I call upon everybody to vote against this report.

(Parliament adopted the resolution)

*
* *

President. — We shall now consider the *motion for a resolution contained in the Van Miert report (Doc. 1-207/81): Right of legislative initiative and the role of the European Parliament in the legislative process of the Community.*

Motion for a resolution as a whole — Amendment No 19.

Mr Van Miert, rapporteur. — (NL) Madam President, ladies and gentlemen, I urge you to reject this amendment because it definitely does not fit in with the views I have to defend on behalf of the Political Affairs Committee. The Legal Affairs Committee clearly takes the view that Parliament's right of initiative must not be extended and that things have to stay as they are. This not only runs counter to the majority opinion in Parliament — and this has been made clear on numerous occasions — but it is also contrary to the views of the Heads of State or Government, views expressed in a document which followed the Paris summit. I really must urge you to reject this amendment.

(...)

Before the first indent of the preamble — Amendment No 7

Mr Van Miert, rapporteur. — (NL) Madam President, I want to ask the House to reject this amendment since it clearly involves changes to the Treaties and you are aware that the Political Affairs Committee maintains the view that we have to move gradually, within the framework of the existing Treaties.

(...)

Second indent of the preamble — Amendment No 1

Mr Van Miert, rapporteur. — (NL) Madam President, I urge the retention of the original text since it clearly favours greater right of initiative for Parliament.

(...)

After the third indent of the preamble — Amendment No 13

Mr Van Miert, rapporteur. — (NL) Madam President, I must ask for this amendment to be rejected because it refers to Article 144 which concerns motions of censure. I do not think it belongs here.

(...)

Fifth indent of the preamble — Amendments Nos 2 and 14

Mr Van Miert, rapporteur. — (NL) Madam President, I must ask for both amendments to be rejected because the text proposed by the Political Affairs Committee emerged after lengthy discussion and the balance should not be disturbed.

(...)

Paragraph 1 — Amendment No 3

Mr Van Miert, rapporteur. — (NL) I ask the House not to adopt this amendment because the issue here is the right of initiative. Our report draws a precise distinction between the right of initiative and the right of proposal. I therefore think it is quite essential to retain the text of the motion for a resolution.

(...)

After paragraph 1 — Amendment No 12

Mr Van Miert, rapporteur. — (NL) I also want this amendment to be rejected because Parliament's right of inspection is confused here with its right of initiative.

(...)

Paragraph 2 — Amendments Nos 15 and 4

Mr Van Miert, rapporteur. — (NL) I must ask for both amendments to be rejected because Mr Israel's amendment clearly tones down the proposed version and because the amendment by Mr Fergusson is different in tenor from the text of paragraph 2.

(...)

Paragraph 3 — Amendment No 5

Mr Van Miert, rapporteur. — (NL) I must ask for this amendment to be rejected as well since paragraph 3 is already flexible enough. With his amendment Mr Israel wants to make the paragraph even more flexible but in my view the wording in our version is satisfactory.

(...)

Paragraph 4 — Amendment No 8

Mr Van Miert, rapporteur. — (NL) I think this is a useful addition. I therefore recommend that the amendment be adopted.

(...)

Paragraph 5 — Amendment No 9

Mr Van Miert, rapporteur. — (NL) I must ask the House not to adopt this amendment because in my view it is too harsh and in fact too unrealistic in the extreme. I therefore recommend that this amendment be rejected.

(Mr Hänsch requested a separate vote)

In that case I cannot go along with subparagraph 5(a) but rather with 5(b).

(...)

Paragraph 6 — Amendments Nos 20, 10, 16 and 6.

Lady Elles. — May I point out that Amendment No 16 to the Van Miert report is identical with Amendment No 16 to the Hänsch report? In the Hänsch report it was adopted, and I think it would be a mistake if Parliament voted one way on one report and another way on another.

(Laughter)

Mr Van Miert, rapporteur. — (NL) Madam President, I have no objection in principle to Mr Fergusson's amendment. The only problem is that Mr Fergusson's amendment is addressed to the Commission while the

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original paragraph 6 is meant for the Council. I am therefore quite happy to accept the Fergusson amendment, but as a new paragraph 6(a) because I want the original paragraph to be retained. As for the other amendments, I want to ask for them to be rejected. In the case of Mr Irmer's amendment, it is not broad enough and I find it unrealistic. And as for Mr Israel's amendment, in my view it is too flexible.

Mr Hänsch. — (DE) Madam President, just as an identical paragraph was adopted in the case of my report, albeit as an addition to the report, we have to proceed in the same way with Mr Van Miert's report, because otherwise we are going to get into a mess.

President. — Mr Hänsch, it would be against the Rules of Procedure to insert this amendment as an addition, and Mr Deschamps said so just now. We did it then because there was no objection from the House.

Lady Elles. — I am sorry, Madam President. I accept that that is what is written in the Rules of Procedure, but in fact the whole of the House agreed that paragraph 6 of Mr Hänsch's report could stay in and that Mr Fergusson's amendment should be voted on as an addition to that paragraph. We have got exactly the same wording in the Van Miert report, so I would ask, through you, the indulgence of the House to allow the text of both these reports to remain the same, and in this particular case for the paragraph of Mr Van Miert which is identical to the Hänsch paragraph 6 to remain in and our amendment to be added. I agree that this is an exception to the rule, but since it has already been done this afternoon, I would request your indulgence on this particular matter and that the House should agree to this being done.

(Applause from various quarters).

President. — It will be done if there is no objection, Lady Elles. Mr Deschamps objected earlier, because the procedure is against the Rules of Procedure.

Mr Deschamps. — (FR) Those are the rules and I think you and the House are agreed that they should be applied in future. In this instance, however, it would be quite illogical not to allow what has already been allowed in the other case.

Mr Baillot. — (FR) I object! Just because you have broken the rules once, it is no reason to do it again.

(Laughter)

President. — There is an objection and it therefore cannot be done.

Mr Fergusson. — The Member who tabled the amendment has not been asked for his opinion about this particular matter. I tabled the amendment. I am surprised that I have not yet been asked if I am in agreement with Mr Van Miert's suggestion.

(Laughter)

President. — Mr Van Miert made no suggestion. The suggestion came from Lady Elles, who wanted us to repeat what we had done earlier. But since there is an objection, we cannot adopt the same procedure again. It is against the rules and generally we reject such a procedure.

Mr Patterson. — It does seem to me rather absurd that a precedent is set on one vote and then overturned on another. The important thing now is to ask Mr Van Miert whether he would accept this amendment in place of this original text, as he is only being asked at the moment as to whether he is in favour of adding it.

President. — I am sorry but it is not up to Mr Van Miert to accept or not. The Rules of Procedure forbid this procedure, which we followed earlier by way of exception and because there was no objection to it.

Mr Patterson. — I am sorry. You cannot have understood what I said. I accept your ruling that it cannot be added, although it does seem curious. But what we now have to know is what is Mr Van Miert's opinion on this amendment as originally tabled, because all we now know is what Mr Van Miert thinks about the precedent. So could we ask Mr Van Miert whether he can accept the amendment as a replacement, although it is very unsatisfactory like that?

Mr Van Miert, rapporteur. — (NL) Madam President, I should have been quite happy with both solutions, as I said, but since I have to choose between the text by the Political Affairs Committee and the amendment by Mr Fergusson I shall stick to the committee's text, and so I have to ask for paragraph 6 to be adopted in its present form.

(...)

Paragraph 13 — Amendment No 17

Mr Van Miert, rapporteur. — (NL) Madam President, ladies and gentlemen, I would ask you to keep to the original text because I feel this amendment makes things confusing, especially in Dutch. There is refer-

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ence to directives, for example, and these have a specific legal significance. I think the text is clearer in its present form.

(...)

Paragraph 16 — Amendment No 18

Mr Van Miert, rapporteur. — (NL) I think this is an excellent amendment, Madam President, because it is clearer and more explicit than the present text. I am therefore in favour of it.

(...)

Paragraph 17

Mr Van Miert, rapporteur. — (NL) May I just remind the House that earlier at the request of Mr Hänsch the words *together with the accompanying explanatory statement* were deleted, because this wording does not seem to be in accordance with the Rules of Procedure? The same is true in the case of the report by Lady Elles. The words have to be deleted here as well.

(...)

President. — I call Mr Israel for an explanation of vote.

Mr Israel. — (FR) Madam President, throughout this institutional debate we have advocated caution and we are disappointed that our amendments were not welcomed by the rapporteurs. Once again we do not seem to be bothered about institutional matters. On the contrary, perhaps we care a little too much.

(Parliament adopted the resolution)

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* *

President. — We shall now consider the *motion for a resolution contained in the Elles report (Doc. 1-335/81): European political cooperation.*

Subparagraph (a) of paragraph 1 — Amendment No 12

Lady Elles, rapporteur. — Madam President, there is no amendment to the first paragraph of 1 (a). The second paragraph of 1 (a) was adopted by the Political Affairs Committee at its last meeting, and so I cannot comment on Mr Blumenfeld's amendment. I would suggest that it be put to the House to decide.

(...)

Subparagraph (b) of paragraph 1 — Amendment Nos 11, 5 and 8

Lady Elles, rapporteur. — As to Amendment No 5, Madam President, I recommend rejection; at no time during the discussion in the Political Affairs Committee was this kind of proposal ever raised. The proposal from Mr Hänsch in Amendment No 8 has already been rejected in the Political Affairs Committee. I would recommend to the House Amendment No 11.

(...)

Paragraph 4 — Amendment No 1

Lady Elles, rapporteur. — Madam President, I can only recommend retention of paragraph 4 as it exists, as it was approved by a big majority of the Political Affairs Committee; so I must recommend rejection of Amendment No 1.

After subparagraph (c) of paragraph 5 — Amendment No 3

Lady Elles, rapporteur. — I do not think it adds anything new to paragraph 5 as it already stands, Madam President, and I therefore recommend rejections of Amendment No 3.

(...)

Paragraph 6 — Amendment No 2

Lady Elles, rapporteur. — This amendment, Madam President, has already been rejected in the committee by quite a large majority and I must therefore recommend rejection by the House.

(...)

Paragraph 7 — Amendment No 6

Lady Elles, rapporteur. — I do not think it is necessary and it does not add anything to the existing text. Madam President, so I recommend rejection.

(...)

Paragraph 9 — Amendment No 10

Lady Elles, rapporteur. — I recommend this amendment, Madam President, as being a more suitable wording than the existing text.¹

(...)

Paragraph 10 (III)

Lady Elles, rapporteur. — I wish to confirm what Mr Van Miert and Mr de Pasquale have said, namely, that paragraph 3 needs a verbal amendment in accordance with the Rules of Procedure, and I would therefore request that we withdraw the words 'together with the report of its committee'. Otherwise, the text stands as agreed.

(...)

President. — Explanations of vote may now be given.

Mr Radoux. — (FR) Madam President, ladies and gentlemen, I intend to abstain from voting on the report by Lady Elles by way of making it quite clear that there must be logistic continuity as regards the secretariat mentioned in the resolution. In other words, this infrastructure must be set up within the General Secretariat of the Council, which already carries out practical work in connection with political cooperation.¹

What I mean is that there could be no question in my view of setting up the kind of political secretariat which has been mooted regularly for years. It would upset the present system of European representatives coming under the foreign ministries of each Member State of the Community. The very structure of this system means that it could be improved.

Mr Israel. — (FR) Madam President, we shall be voting for the report by Lady Elles as it now seems fine to us. I just want to point out to the House that thanks to an amendment we have managed to get in the idea that the international protection of human rights now comes under political cooperation. When I think of the tiny majority this amendment got, I get a shiver down my back because we almost adopted a report which took the view that political cooperation did not cover the international protection of human rights. But all's well that ends well. We shall be voting in favour of the Elles report.

Mr Van Miert. — (NL) With the adoption of Mr Israel's amendment to paragraph 6 I thought I could reconsider my original view in a more positive sense because there is a clear reference here to cooperation with the Council. An amendment I tabled for the creation of an EPC secretariat within the Council was unfortunately rejected. With the adoption of Mr Israel's amendment, however, the text has been adapted along those lines, and so I am ready to withdraw my original objection and instead vote in favour.

(Parliament adopted the resolution)²

¹ The rapporteur was in favour of Amendments Nos 4 and 7.

² *Membership of Parliament*: see minutes.

6. Agenda

President. — I call Mr De Gucht.

Mr De Gucht. — (NL) Madam President, in connection with the continuation of the debate on my report on legal expenses insurance, which had to be deferred because other matters had greater priority, I should like to ask you to postpone it until the September part-session. The same request is being made in fact by Mr Malangré with regard to his report on the British nationality bill. We feel that in view of the crowded agenda these matters will not be properly dealt with. This is why I am asking for the debate on my report to be continued in September.

President. — I have taken note of this dual request. It will be put to the House when these items are called.

7. Preliminary draft budget for 1982

President. — The next item is the Commission statement, followed by a debate, on the preliminary draft general budget of the Communities for 1982.

I call the Commission.

Mr Tugendhat, Vice-President of the Commission. — As the House will be aware, the Commission adopted the preliminary draft budget for 1982 in May, and the relevant documents in all Community languages were forwarded to the budgetary authority in accordance with the pragmatic calendar on 15 June. As the House will also know, at the same time that it adopted the 1982 preliminary draft budget, the Commission adopted a preliminary draft rectifying budget for 1981. The 1982 preliminary draft budget and the 1981 preliminary draft rectifying budget are closely related to one another. Indeed, the estimates contained in the 1982 PDB assume that appropriate action has been taken in the budgetary authority and in the rectifying budget and that it has been fully executed by the end of 1981. Now, Madam President, as the House will be aware of what was said at that time, some of what I am saying now is, of course, repetitious, but nonetheless this is a formal statement to the House and I think it would be as well if I did go through the matter in detail.

I would like to begin by saying a few words about the importance and urgency of the 1981 rectifying budget. The reasons for which the Commission has introduced this rectifying budget relate to sound budgetary principles. I can summarize these as the restoration of budget annuality and good budgetary management.

Tugendhat

There is a third political factor to which I shall refer in a moment.

The House will recall that at the end of 1980 it adopted a supplementary budget which endowed the Social Fund with 326.4 million ECU in payment appropriations. Thanks to this justified action on the part of the Parliament, we have found that in 1981 the Social Fund is endowed with sufficient payment appropriations to honour the obligations which arise from the commitment appropriations contained in the budget.

Such, however, has not been the case in other areas, notably the Regional Fund and aid to non-associated developing countries, where the reductions made by the Council during the course of the 1981 budget procedure have resulted in a significant shortfall of payment appropriations during this year. In the rectifying budget the Commission has sought to make up this shortfall and thereby restore a proper annual relationship between payment and commitment appropriations. It has also taken the opportunity to make a number of other expenditure proposals which it regards as being in the Community interest.

The second significant part of this rectifying budget is the reduction of the agricultural estimates, which has resulted in a proposed reduction of EAGGF Guarantee expenditure lines by 521 million ECU. The reasons for this are fully spelled out in the explanatory memorandum and relate primarily to favourable changes in market conditions. Given that it is now clear to us that the money on EAGGF lines would not be spent during 1981, the Commission took the view that it was in the interests of good financial management of the Community to propose a transfer of the resources to the other areas of activity that I have just indicated, thereby bringing about, if only marginally, an improvement in the balance of Community expenditure.

Finally, Mr President, there is the political consideration to which I referred earlier. As we all know, unless the dispute concerning the 1980 and 1981 budgets is resolved, this year's budgetary procedure is likely to be conducted in the shadow of unresolved contentious issues which could prevent agreement on a budget for 1982. The Commission regards it as one of its highest priorities to ensure that the 1982 budget procedure results in the adoption of an undisputed budget on which the execution of Community policies can be based. Unless we are to bring the interests of the Community into disrepute with European public opinion, all three, Council, Parliament and Commission, must bend their efforts to reaching a satisfactory compromise in December. To this end it is highly desirable to clear the contentious issues out of the way as soon as possible.

The Commission believes that its rectifying budget provides a basis for the resolution of this problem.

If I may be allowed to comment, I believe that discussion so far in the Council would lead one to hope that there is a general desire in that half of the budget authority to bring matters to a rapid solution. The Commission feels that in order to clear the way for an uncluttered reading of the 1982 preliminary draft budget, if I could put it that way, and as a practical matter to give the Commission time to spend the appropriations in the non-compulsory sector, it is important to adopt the preliminary draft budget in a single reading.

The Commission welcomes the administrative arrangements that have been made in Parliament to help secure this, and it looks forward to a worthwhile and fruitful conciliation meeting on 22 July before the Council has its first reading of the 1981 rectifying budget and the 1982 preliminary draft budget on 23 July.

The Commission particularly welcomes the constructive spirit of the remarks made by the President-in-Office of the Council yesterday when he spoke about this conciliation.

I turn now, Mr President, to the 1982 preliminary draft budget. As in previous years, I introduced this preliminary draft budget in some detail to the Committee on Budgets on 26 May, and I certainly do not intend to repeat everything that I said on that occasion, I shall confine myself to certain general remarks about the nature of this budget.

First of all, its presentation. The Commission has been conscious for some time that the budget is presented in a manner which is not easily comprehensible to someone who is not an expert. In this year's budget the Commission has made a major effort to improve the clarity of the presentation of appropriations without, however, changing in any way the substance. The Commission does not believe that it is indispensable to have changes in the Financial Regulation in order to bring about the improvements in presentation. I hope, however, that those who have to read budget documents in the future will have their task made easier by what we have done.

I turn, Mr President, to the figures. The total volume of the 1982 preliminary draft budget is 23.922 m ECU. In commitment appropriations there is an increase of 15.1% on 1981 as amended in our rectifying budget. I should say straight away that all the figures that follow are on that basis. The corresponding figures for payment appropriations are 22.382 m ECU, or a 16% increase on 1981. Within this, compulsory expenditure rises by about 1% whereas non-compulsory expenditure increases by about 30%. The increase in compulsory expenditure is, of course, to a great extent determined by agricultural guarantees, where in 1982 the total estimate is forecast to be just short of 14.000 m ECU, an increase of 12.8% on 1981.

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I should explain — because this percentage figure is open to misinterpretation — that if we were to discount the effects to the rectifying budget, in other words, base the 1982 estimates on our earlier estimates for 1981, then the annual rate of increase would only be 8.4%.

All this, Mr President, goes to show that the underlying rate of increase in agricultural expenditure is still too great. As compared with earlier years it is a lower rate, and continued efforts must be made in this direction. The share of agricultural guarantee in the budget in terms of payment appropriations is 62.3%, or 67.2% if one discounts expenditure in favour of the United Kingdom. These figures do not take account of the impact in 1982 of the decision on prices which has to be taken in spring of next year. Actual expenditure in 1982 will be determined by world market conditions, and the figures retained by the Commission are based on cautious estimates of world market prices. As is usual, the Commission may after the harvest come forward with a rectifying letter if circumstances warrant this.

As far as non-obligatory expenditure is concerned, the Commission is anxious to see that structural expenditure continues to develop, especially in ways which directly help to combat the present economic recession. For the Regional Fund, an increase in commitment appropriations of approximately 26% has been proposed. This means that these credits rise from 1.541 million ECU to 1.941 million ECU. For the Social Fund, the Commission considers it vital that the Community respond adequately to the unemployment situation and has therefore proposed an increase of 40% in commitment credits — that is to say, an increase from 963 million ECU to 1.350 million ECU. Forty percent looks like a large increase; it is, however, only a modest contribution when viewed against the background of the size of the problem which the Community faces. As far as other important sectors of Community activity are concerned, it is worth noting that for the EAGGF (Guidance Section) the Commission has proposed an increase of 10.5% over 1981, and for the Community activities which comprise energy policy, research and development, innovation and transport, the commitments proposed rise by 50%. These sound, and indeed are, large percentage increases, but let us remember also that the base is small: the total sum involved is 621 million ECU. As for food and development aid, the Commission considers that the Community should continue its substantial Third World effort and proposes commitment appropriations of 998 million ECU for 1981; increases in aid to non-associates are particularly significant with increases of 33% in commitments and 47% in payments.

These are some of the more important aspects of the 1982 preliminary draft budget, which, as I say, I presented in some detail to the Committee on Budgets

in May and which I know is already under discussion in other committees. Members who have studied our proposals will be aware that the priorities listed in the resolution of the rapporteur, Mr Spinelli, are effected in the Commission's preliminary draft.

There is one final point I wish to make on the shape of the 1982 budget. I want to underline, if I may, the modesty of the Commission's request for staff. In addition to those posts requested to take account of Greece's accession, new ones have been requested only for additional responsibilities that the Commission has taken on for priority areas which require further staffing which cannot be brought about by redeployment. In addition, some upgrading of posts has been requested to enable Commission staff to have somewhat better career prospects than they now have. As Commissioner formerly responsible for personnel matters, I want to emphasize to the House my belief that the improvement of career prospects for Commission officials in particular is an urgent matter and I very much hope that these requests for upgradings of posts will not fall victim to accidents of the budgetary procedure in the way that has happened in the past. I very much want to emphasize this point to the House.

Finally, I would say something about the relation between the 1982 budget and the Commission's mandate report. The Commission is aware — and this is something which is new — that some Members of the House feel that the ideas contained in the Commission's report on the mandate ought to be translated immediately into proposals having a budgetary impact which can be taken into account during the 1982 budgetary procedure. As honourable Members will know, I listened throughout the debate on our mandate report earlier this week and I heard what was said from all quarters of the House, and I should like to take this opportunity, after having heard what was said on that occasion, to say that I much sympathize with the sense of urgency which lies behind this view. The matter is indeed an urgent one. The Commission is committed to giving the mandate a timely, balanced and complete follow-up, and President Thorn, of course, has made a number of remarks about this in his contributions. We shall bring forward the proposals which flow from the views contained in the report as soon as possible in the autumn, so that Parliament can give its opinion and the Council can take the necessary action. It may prove possible — let us hope that it does — to incorporate in the 1982 draft budget before its adoption some of the budgetary consequences flowing from new legislation arising out of the mandate. No institution would welcome this more than the Commission. If, however, this does not prove possible, then the Commission will expect, during the course of the execution of the 1982 budget, to bring forward the appropriate amending budgetary instruments to take account of legislative decisions arising out of the Council's action on the mandate.

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Mr President, I have sought to give the House a quick sketch of the 1982 budget and I have underlined its relationship with the 1981 rectifying budget, which is the most urgent budgetary item before this House and before the Council at the moment. In relation both to this rectifying budget and the procedure relating to the 1982 budget, the Commission will want to play an active role in the conciliation process. It should be our aim to show that we can learn from the mistakes of previous years and in December to bring about a situation in which the adoption of the budget can be attained by agreement on all sides.

IN THE CHAIR: MR BRUNO FRIEDRICH

Vice-President

President. — I call the rapporteur for the draft general budget for 1982.

Mr Spinelli, general rapporteur. — (*IT*) Mr President, the Commission is bringing before Parliament a preliminary draft budget which is wholly and solely based, as far as income is concerned, on the present Treaties, which set the maximum level of Community own resources. For expenditure, it is based on the regulations, directives and decisions which are at present in force.

The outcome of this is a budget which is extremely rigid in almost all its aspects. In fact, the one percent VAT ceiling has more or less already been reached, as the Commission itself has been foreseeing for some years. The fact that there remains a slice of Community VAT which is not used, amounting to approximately 500 million ECUs is little more than clever accountancy. The Commission knows full well that it has to take care to set aside approximately 500 million ECUs for the future, to cover the probable fluctuation in expenditure of the Guarantee Section of the EAGGF, and a few hundred million in order to renew the Mediterranean protocols. In other words, the 500 million surplus ought much more rightly to have been entered under Chapter 100, thereby being available should the need arise to use it for the Guarantee Section of the EAGGF or renewing the Mediterranean protocols.

However, any way one looks at it, the VAT ceiling has in actual fact been reached. This means that, as things stand, total payment appropriations can hardly go beyond the approximately 22 000 million EUA contained in the Commission's draft preliminary budget. Whatever one wishes to add to one heading will have to be taken from another. But, of this total sum, 13.6 thousand million are inevitably swallowed

up by the Guarantee Section of the EAGGF. The supplementary measures in favour of the United Kingdom, for 1982, which have already been decided upon and committed amount to 1.7 thousand million and expenditure on personnel and operating costs is 700 million. This means that there remain only 6 000 million EUA to be spent on all the other policies be they common policies, structural or cooperation policies, all of which the Community desperately needs.

It is perfectly natural for the Commission, in the present circumstances, to propose that priority, involving not insignificant increases, should be given to the social and regional policies. However, the scale of these two policies — as indeed of all the other policies covered by the funds thus left over — will remain irretrievably lower than that on which they ought to have in order to exert exercise a significant influence on the economy of the Community and thus truly help towards achieving convergence and stimulating the development of the Community.

Similarly, commitment appropriations were also approached from this 'low profile' angle, that is by looking at the ceiling of own resources and how much had to be set aside for compulsory expenditure, rather than considering the needs of the Community.

It is almost as if, from one year to the next, from one transitional budget to another, and making alterations which do not change anything in the overall shape of successive budgets, the Community has now reached its 'cruising speed' and its normal scale of finances, and we therefore have no more to do than to carry out an administrative routine and make readjustments between the various headings. The fact is, however, that the Commission is politically obliged not to slip into an administrative routine. Its role is under pressure both from the Council and from Parliament to make major proposals for innovation whilst keeping its eye on their implications for the budget.

More than a year ago the Council asked the Commission to make some proposals by the end of June in order — and I quote verbatim — 'to carry out in 1982 structural changes in the budget in order to balance the various policies and to prevent the recurrence of unacceptable situations for any of the Member States'.

Since March, Parliament, whether in its budget guidelines or in the various resolutions which preceded or followed them, has made a whole series of demands, on agricultural spending — the Plumb report, on developing structural policies — the Ruffolo, Pfennig and Giavazzi reports, on a fair, correct and Community solution to the problem of unacceptable situations — the Lange resolution and the Arndt chapter in the motion for a resolution on own resources, or made a firm commitment to help the fight against hunger and underdevelopment in the world — the Ferrero report, and lastly, as a logical consequence of all the above, Parliament called on the

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Commission to put forward proposals for removing the ceiling on VAT — this was the resolution on own resources.

The Commission's reply to all these demands cannot but leave us completely flabbergasted. By and large, the Commission has ignored all Parliament's demands. It has replied to the Council mandate, after more than a year of preparation, without making any formal proposal on what should be done in 1982. It has confined itself to writing a memorandum, even though it is aware from long and bitter experience that no Council is capable of discussing a memorandum and that, therefore, its report is destined to get bogged down in the offices of the COREPER.

The Commission has presented us with a draft preliminary budget in which it openly admits that it has not incorporated the conclusions of its own report on the mandate (and we can quite understand now why it did not include them: because its report does not contain any proposals for decisions, but only discussion topics and therefore does not have any implications for the budget).

I feel that Parliament cannot, and must not, any longer accept this type of attitude. During the two years up to today, that is since Parliament rejected the budget because it considered it inadequate for the needs of the Community, the Commission has wasted so much time that it is now obvious that the payment appropriations for 1982 can only be defined in the way in which they are in the draft preliminary budget. However, in the second half of 1981 and the first half of 1982, the Commission can rouse itself from its political torpor, and put forward the triptych of precise and formal draft decisions — and not just suggestions — which have been bandied so much.

Firstly, it must make changes in agricultural regulations which enable it to control EAGGF expenditure. In this way, it would become perfectly clear that controlling and more rationally distributing of agricultural expenditure cannot in practice mean any appreciable reduction in the amount of money allotted to the CAP, and that a rebalancing of the budget cannot, therefore, be achieved by making such impossible reductions, but should merely have as its basis the *maitrise*, the curbing, of agricultural spending.

The second point of the triptych ought to be a multi-annual programme for the whole range of structural and cooperation policies, which are the only ones that can bring about a restructuring of the budget, by distributing the Community's funds in a just manner amongst all the Member States and reducing expenditure by individual Member States on the common policies they implemented.

Thirdly, formal proposals must be made for finding new resources and for making the VAT collection system more flexible — these two factors would help

towards developing new major common policies and doing away with the difficult situations encountered by the poorer countries. The Commission ought to be able to put forward a package of proposals of this nature and it must of necessity be a package because all the proposals are necessarily linked.

We should also like to stop hearing that our Governments do not today entertain the slightest possibility of the Community having further resources in the future. Just yesterday, Lord Carrington, President-in-Office of the Council stated: 'We cannot accept a request for resources to be increased until it is clear that the budget has been restructured in such a way as to ensure that agricultural expenditure has been curbed'. This is a precondition, not a rejection of the idea.

I have heard Chancellor Schmidt on television using almost the same words. This means that the Commission could quite easily make a proposal on own resources, in which the first Article would provide that the 1% ceiling should be removed and a limit of 2% put in its place, and Article 2 could provide that this new regulation will come into force at a time when agricultural regulations of a particular type with particular characteristics have come into force. This would make the two articles interdependent.

Should the Commission decide to put forward this package of proposals at the right time, that is this set or triptych of proposals as I called it, then the Commission and Parliament could bring suitable pressure to bear on the Council so that it would be required to take a decision on these proposals during 1982.

The financial consequences of such reform could only gradually start to make themselves felt from the beginning of 1983. But some sign of their existence ought already to be perceptible in the commitment appropriations for the 1982 budget, which ought to be conceived with this aim in mind. And it is on commitment appropriations and their being carried over from one year to the next, that a reasonable and calm debate on the budget itself can, and must be focused in the coming months between the parties in the joint budgetary authority.

I hope that the speeches which follow mine in this Chamber will help to get across to Commissioner Tugendhat, and through him to the Commission, the following grave message which should be taken seriously. That is that before we begin to examine the Council's draft budget, the Commission must give us some precise and not very distant date for the presentation of this triptych of proposals I have just mentioned, thereby giving us the opportunity to deal with a budget in which there will be the first echoes new policies, stronger and better policies, and not just the financial consequences of expenditure originating

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from policies or political measures which have already been adopted.

Should the Commission once more ignore our message and tell us that with all its qualified and inventive staff and all its committee meetings it is not able to commit itself to dates, or should it tell us that it must first of all hear from the Council what it thinks of the Commission memorandum, then in that case I shall call on Members of all political persuasions to get through to the Commission that this time it will have to bear the consequences of its action, because the Commission will have done less than its institutional duty which is to propose policies which the Community needs, because it will not have assumed its political duty which is to abide by Parliament's frequently expressed desire for change because it will have been guilty of a budget which in our view is totally insignificant from a political point of view.

This is what I should like Parliament's message to the Commission to be, so that the promises which Commissioner Tugendhat just made us can rapidly be transformed into some precise indication of the measures, he intends to take, when they will be taken and what they will involve.

President. — I call the Socialist Group.

Mr Arndt. — *(DE)* Mr President, I should like to begin by addressing a sincere word of thanks to yourself and to the two or three Members who are not members of the Committee on Budgets. Apart from them, I can see only the well-known faces of the Committee members whose jobs it is to discuss the preliminary draft budget for 1982.

It may be a significant fact, Mr Tugendhat, that we are now seeing a much wider-ranging dialogue between the European Parliament and the Commission. The rapporteur called on the political groups to endeavour to set out clearly the standpoints they adopted in the Committee on Budgets. I think it essential to make it clear to the Commission that we are not very satisfied with many of the things the Commission has come up with over recent weeks and months. I would concede that we are satisfied with the general positions which have been adopted, but there is not much point in continually talking in the terms of leading articles. There comes a time when the kind of ideas set out in leading articles have to be put into practice, and that is an extremely important point as far as we in this House are concerned.

There is one thing I should like to make clear to the Commission. Both the President of the Commission and Mr Andriessen — and other besides — have said in the course of this meeting that the Community's budget is only of secondary importance; according to them, the important thing is the policy which the

budget must be geared to. So far, so good. But we in the European Parliament see things rather differently; after all, with the rights we have, we can only make proposals as regards the policy to be pursued, and the only way we have of getting our views accepted is via the budget. That is why the budget is so important from our point of view, and it is for that reason that we try to use the budget as a means of implementing the policy we have formulated.

The President of the Commissions has told the Council on a number of occasions in this House that it must have the courage needed to take decisions. I can only address the same appeal to the Commission itself. When will it at long last have the courage to put the policy it has been advocating here for years now into the form of definite budgets proposals? Why does the Commission not take advantage of majority voting to defeat the forces of national self-seeking, which are of course also represented in the Commission itself by the Members of the Commission? There is, thank goodness, one case in which the unanimity principle has not yet achieved acceptance in the Council, and that is the budgetary procedure. In that procedure, the Council is free to take a vote, and we have had several cases in the Council in which a minority at least has supported the stance adopted by the European Parliament, thus enabling Parliament to get its way on budgetary questions.

I think we must make it quite clear to the Commission that this 1982 budget cannot be viewed in isolation from the mandate of 30 May. Mr Tugendhat claimed that it had been impossible to incorporate the terms of the mandate in the 1982 preliminary draft budget. We had been given a promise, though, that the mandate would be reflected in the 1982 budget. As long ago as the 1980 budget, the Commission told us that the whole process of restructuring would be taking place shortly. In 1981 we were told that the budget was really only a transitional budget and that it should therefore be adopted in that form. Now we have the Commission's preliminary draft budget for 1982 reflecting none of the undertakings given by the President on behalf of the Commission in the speech he made on taking office. The mandate of 30 May and the 1982 budget are two parts of one and the same thing. I have heard the Council say in public statements that the Commission's proposals on the mandate would be discussed in the autumn and that the Council would be expressing an opinion on them in conjunction with the budget.

For that reason, it was claimed, the budgetary procedure might take somewhat longer than usual. That being so, I regret the fact that the Commission has stated quite clearly and categorically that it has been unable to take the mandate of 30 May 1980 into consideration in its preliminary draft budget.

I should now like to move on, Mr Tugendhat, to say a few words on the figures you gave us here today. For anyone who is not used to dealing with such figures, it

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may seem baffling the way you juggle with absolute figures on the one hand and percentages on the other. I was once a finance minister myself, and so I know what tricks can be performed with figures. In my view, anyone who uses a percentage instead of an absolute figure has something to hide. Let me give you an example from your own preliminary draft budget of how, here too, you are hiding certain things from the public. You made great play of the fact that expenditure on the Social Fund is planned to rise by 40%. Of course, people are bound to say that a 40% rise in Social Fund expenditure to deal with unemployment problems shows how the Commission keeps its word! But the fact is that this 40% rise amounts in absolute terms to 387 million EUA, whereas the rise in refund expenditure to cover surplus production of milk alone is 520 million EUA. In other words, despite the fact that we have undertaken to tackle the problem of overproduction, you are now proposing to spend an additional 520 million EUA, compared with less than two-thirds of that amount in additional expenditure for employment and unemployment problems and for the Social Fund as a whole!

That just goes to show how percentage figures can be used to gloss over the real priorities. How often have we debated agricultural expenditure in this House, and how often has the Commission reassured us that the co-responsibility levy would enable us to get a grip on the problem of overproduction in precisely the milk sector? In your preliminary draft budget, the co-responsibility levy has been cut from 2.5% to 1.5% with effect from 1 April 1982. That is the very opposite to what we have always been discussing, and it is now in black and white in the draft budget.

I hope it will be possible within the terms of the mandate to do away with these distortions. I should also be grateful to the Commission for ensuring that the decision taken on agriculture by this House at its last meeting is reflected in figures in the draft budget for 1982, because the fact is that here the Commission can justify such a move by reference to the perfectly clear decision taken by the European Parliament. The Commission should also realize that it is its job to modify the 1982 budget in accordance with the proposals submitted by the European Parliament on agricultural policy.

I also take the view that we should all put our heads together and concentrate on what priorities are to be adopted in the budget. Let me remind the Commission that these priorities were laid down in a decision taken by this House in the spring of this year on the guidelines to be followed with respect to the 1982 draft budget. I would call on the Commission most urgently to take a look at these guidelines and concentrate on these priorities.

I should be grateful if the Commission would enter into a frank and free dialogue with this House in those areas in which the European Parliament has expressed

specific wishes, but in which there is either no effective policy as such or the required resources have not been called on or cannot be called on. Should the money not be available, there is of course no point in allocating it in the draft budget. This is a point on which the Commission ought to have the courage to say quite clearly to this House that no matter how much money we may wish to commit to a particular policy, the Commission is unable to spend it, and so it would be better to leave it out of the budget altogether. There is no point in providing in the budget for more money than can actually be spent.

Finally, let me add that this House has frequently called on the Commission to ensure that the weaker regions of Europe benefit more from the money available in the budget. Europe will in future be judged first and foremost on whether or not it can make a show of Community solidarity, whether it can register the needs of people in such places as Ireland, Spain or Italy, and whether the better-off regions are prepared to do something for the people who are not so well-off.

Let the draft budget for 1982 be a signal to show that this House realizes the need for the Community to give practical proof of its solidarity with the poorer regions of Europe.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Notenboom. — (NL) Mr President, ladies and gentlemen, a few years ago we would not have thought that a preliminary draft budget for 1982 would have been possible within the 1% VAT ceiling. We said at that time that the next year's budget might perhaps have to exceed that ceiling, and that this would be inevitable by 1982. However, this is not the case and, as we see from the amended 1981 budget and the preliminary draft for 1982, this is due to the fact that agricultural expenditure is moving in the right direction, albeit slowly and insufficiently. It proved possible to reduce agricultural expenditure substantially in the amended 1981 budget while the increase in the 1982 budget is smaller than it has been in the past. This is a result of improved control, the pressure applied by this Parliament and external circumstances. However, more must be done. I agree with Mr Arndt that in the dairy sector the specific proposals necessary to turn the Commission's professed wishes, which are also the wishes of Parliament, into realities are still lacking. More must be done, since we see that in the Guarantee Section there are categories of expenditure which are increasing, some of them sharply. I am thinking, for example, of the new organization of the market in sheepmeat, and tobacco and beef. Thus, alongside reductions which must be made still more substantial in the future, there are also increases, so we must not think that we can conduct a European policy

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simply by reducing agricultural expenditure. I do not think that it would be possible to finance the policy which we, at least the majority of us, regard as necessary for the coming years simply by means of an overall reduction in agricultural expenditure. For this reason, I have no wish to reduce the pressure on the Commission and on us all, including the Council, to do all we can to combat over-production. I myself and my group are in favour of this pressure, but we should not let ourselves be misled by thinking that it would be possible to finance the policy we wish to see in other sectors merely by reducing agricultural expenditure. This would only be possible if we were to let the common agricultural policy fall to pieces altogether — but in that case we would have lost more than we had gained, since a great deal of Community cohesion would go with it — and if we were to renationalize several components of agricultural expenditure. However, these are two things which we do not wish to see happen.

As Mr Spinelli has already pointed out, the budget is approximately 500 million below the ceiling, but minor external changes could completely alter this situation and since this budget does not yet include the price decisions for the next season, it could obviously be argued that we have in fact come right up against the ceiling already. However, what sort of policy has brought the budget up to the ceiling, a good one or poor one? This budget has reached the ceiling on the basis of an extremely poor policy, since a number of expenditure items have been artificially reduced. For example, there are the protocols with the Mediterranean countries. These are expiring and this is to our advantage from the financial points of view, since for the time being they will not cost any money. However, there will obviously have to be new protocols which means that this item is smaller for the time being, but in reality it is going to be bigger unless we intend to call a halt to this policy, which we do not wish to do.

Then there is development aid, and I must say that I think it is an enormous pity — and this is one of the most disturbing aspects of this budget — that the appropriations for European development aid, in spite of having nominally increased by 3%, have relatively speaking stopped. This means that the 'Europeanizing' of development policy, which is still carried out mainly on a national basis, has run out of steam. There is, of course, room for national accents in development aid, — indeed they are inevitable since the history of the different Member States is too varied for it to be otherwise. However, how could we, from the point of view of human rights, and as an example to the United States of America, do otherwise than to conduct a European development aid policy, which would gradually take over from the national policy. Nevertheless, the Commission has been forced by the 1% ceiling to call a halt or rather apply the brakes to the process of Europeanizing development cooperation, which is at present a largely national affair and this is very unfortunate for several reasons.

The budget which has been proposed is nothing more than a transitional budget, but one which shows all the signs of recession, because of the 1% ceiling and because people continue to hope, in spite of the fact that a ratification procedure is known to take years, that it will be possible to finance the requisite policy of the next few years by reducing agricultural expenditure. This is trying to pull the wool over people's eyes.

Thus I agree with what Mr Arndt has just said in effect that amounts can be presented in such a way as to mislead people and this has in fact happened in some cases, even though Mr Tugendhat himself has said that the 40% increase in appropriations for social policy really represents only a small amount. He himself admitted that it is very little when expressed in real figures. However, we should not draw any comparison between the small amounts for social policy and the large amounts for agriculture, as these are two different things. Agricultural policy has been 'Europeanized' and social policy has not. Obviously, we must endeavour to do all we can by means of amendments, consultations with the Council and by spurring on the Commission, to combat unemployment among young people etc. However, we must not give the people of Europe the impression that the Community will be in a position with this budget, or even with an amended budget, to conduct a policy in which combating unemployment really plays a major role. This is impossible and it is not the fault of the Commission, Parliament or the Council. It is simply impossible because the budget is too small. I therefore agree with those who are in favour of cutting down agricultural expenditure but — and my thanks are due to Mr Spinelli here — are opposed to the idea of putting off initiatives aimed at breaking through the own resources ceiling. Postponing such initiatives is unacceptable and the Commission should be quick to come up with what Mr Spinelli referred to as a package of conditional proposals, that is to say proposals aimed at overcoming the 1% ceiling, i.e. proposals which fulfil this condition. Our group shares this view.

One more point regarding the European Regional Development Fund. We have always been and continue to be the proponents of this Fund. However, it is unacceptable that the Commission should ask for large increases both in the supplementary budget for 1981 and in the preliminary draft for 1982 when it has to this day failed to do anything to change the regulation governing the Fund. Since there is so little money about, we should pay all the more attention to quality. From the qualitative point of view, there is considerable room for improvement in the European Regional Development Fund since most of the money finds its way into the pockets of the governments rather than being used for developing, in collaboration with the European Commission, additional projects in the poorest regions, which Mr Arndt was talking about just now. However, this means that the way in which the Fund is used must be revised and preferably by

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1 January 1982. We are also in favour of more money for this Fund but on the other hand we think it would be very risky to allocate money to this Fund without improving the policy.

My group thinks that the European Commission is doing what it can to turn a number of phrases in its report on the mandate into amendments to the preliminary draft budget for 1982. The report is really not bad and contains things which we can wholeheartedly go along with. However, it must be put into practice and the Council must receive proposals for decision. We join the previous speakers in urging the Commission to provide such proposals.

Finally, Mr President, we hope that the supplementary budget for 1981 will help towards eliminating this conflict. However, this must not be done at the expense of the major policy objectives which Parliament formulated last year with considerable enthusiasm in some quarters and rather less in others. It is particularly important that these should not be affected because the facts have shown in the meantime that Parliament was right in saying that the payment appropriations were too small compared with the commitments which had been entered into. However, if it is possible to take account of this objective, it is our heart-felt wish that the supplementary budget and effective consultation of our delegation on the 22nd will eliminate this conflict. We also hope that the Council will react sensibly to this very conservative preliminary draft which in effect suggests cuts. Thirdly, we hope that we will still be able in the budgetary procedure for 1981 with Mr Tugendhat and, through him, with his institution, to come to sensible decisions regarding the practical realization of a number of intentions mentioned in the mandate which in themselves are appropriate.

Mr President, these were a few of the many points which my group regards as worthy of consideration. Mr Schön will go into a few more points later.

President. — I call the European Democratic Group.

Mr Balfour. — Mr President, since it has by now become something of an established convention for the Commission's preliminary draft budget to be hacked about by the Council of Ministers at first reading, the most useful thing for Parliament to do at this stage is to define its preferences and minimum requirements for later reference during the budgetary procedure.

The draft which is before us seems to us in the European Democratic Group to represent as good an allocation of resources, given the constraints of the 1% VAT ceiling, as we could realistically have hoped for. Yet it is difficult for us to make comparison in percentage between what was included in the 1981 budget

and what is now proposed for 1982. For the 1981 budget is still, regrettably, disputed by certain Member States, and the preliminary draft amending budget for 1981 is not yet agreed. The Council should know that there is an overwhelming desire in this House for the 1981 preliminary draft amending budget to be agreed and adopted, we hope, in September.

So taking this amending budget for 1981, which manages considerably to reduce EAGGF expenditure and substantially to increase the Regional Fund, as our base and looking at the commitment appropriations proposed in the preliminary draft budget, there has been a valiant effort once again by the Commission to accelerate the rate of increase in non-agricultural expenditure. We all recognize that percentage increases, when applied to figures which are low in absolute terms, are disappointing if not somewhat misleading, yet we must recognize that this Parliament has consistently called for the rate of growth in the Community's obligatory expenditure to be kept below that of the rate of growth of own resources. Here we should note with satisfaction that, whereas the increase of the obligatory section is 12½%, that of the non-obligatory section is 32%.

But let us not get too excited. The Council have yet to brandish their knife. Certainly we can expect Council to take a slice out of the non-agricultural portion. Why they feel they should do so, other than because by convention they always do, I cannot imagine, since any cuts in this section will make the task of achieving a greater budgetary balance that much more difficult. We could, nevertheless, expect this.

Undoubtedly, what Parliament would most dearly like to see is a correspondingly greater use of the carving knife in the obligatory section of the budget. It would, I think, be a welcome move by the Council if they were, for the first time, to bring about a real reduction of the amount proposed at first reading for the obligatory section. There is always some fat left on the agricultural joint. Let the Council take note of Parliament's wish. We will find a reduction of our beloved non-obligatory sections wholly objectionable unless there is at least a correspondingly significant cut in the CAP appropriations. We could not like to see the Commission's percentage increases changed in terms of their general emphasis.

And then of course it will be interesting to see if the Agriculture Council feels itself bound by the decisions taken today when it meets next spring. If there is a real intention to reduce the burden of the CAP on the budget, there must be a meeting of minds between the Budget Council of today and the Agriculture Council of tomorrow. It is not good enough for the Budget Council to say 'no increase of own resources unless there is reform of the CAP' while the Agriculture Council is not prepared to implement and face up to such change.

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We should thus exhort the Council to anticipate the restructuring mandate by insisting now at first reading that agricultural expenditure be cut. It would be wrong for us to wait for the restructuring exercise to have its effect on the 1981 budget. Perhaps it may affect 1982 budget expenditures next year, by means of a supplementary budget. But there is a job to be done right now, and the Commission has been sensible to proceed with its preliminary draft budget without reference to the results of its mandate report. All the more reason then for the Council to anticipate the inevitable call for greater budgetary balance by aiming its knife at the fattest parts of the agricultural obligatory section, where there is more on the bone, rather than at the tenderer and much leaner parts of the non-obligatory section.

So to the Council our cry is quite simple: give us our reform, reduce the cost of the CAP for we are impatient to make progress in other fields. We want to advance in both qualitative and quantitative terms and we know reform is a precondition for the realization of Mr Spinelli's dream and the wishes of this House.

So, in conclusion, let me say that while sympathizing with the deep sense of frustration which has been vehemently and properly stressed by my colleagues, Mr Spinelli and Mr Arndt, we cannot agree that the deficiencies of the Commission's response to the 30 May mandate will provide the Council with an excuse to ignore the results of the mandate in 1982. The Commission should have been more specific. It should have been braver with the Council. And it should perhaps have been more sensitive to this House's wishes. But we are here to push at every possible opportunity for budgetary improvement. We may have to wait a while longer for the big leap for which most of us are so anxious. But merely because we cannot spend our way out of imbalance this year, or maybe even next, let us not be so puerile as to withhold our approval of a preliminary draft budget which is obviously a good one as far as it goes.

President. — The debate on the preliminary draft budget will now be adjourned and will be continued tomorrow.

(The sitting was suspended at 8 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MRS VEIL

President

President. — The next item is a topical and urgent debate.¹

¹ Membership of committees: see minutes.

8. Situation in the car industry

President. — We know have a joint debate on two motions for resolutions:

- motion for a resolution (Doc. 1-370/81), tabled by Mr Albers on behalf of the Socialist Group, on the closure of the Ford plant in Amsterdam;
- motion for a resolution (Doc. 1-381/81), tabled by Mr Bonaccini and others, on the deterioration of the situation in the car industry.

I call Mr Albers.

Mr Albers. — (NL) Madam President, following the lengthy debate we have had this week on the position and the role of the directly-elected European Parliament, this debate on the motion for a resolution on the closure of the Ford plant in Amsterdam is a perfect example of how we can influence industrial developments. What is at stake here is not just the closure of a single factory, no matter how serious an effect this will have on the 1 350 people directly affected by the closure as well as on the employment situation in the city of Amsterdam. The important thing here is the link between this particular Ford plant and other Ford plants in other Member States of the European Community. It also concerns the suppliers in the Member States, whose future is likewise affected by the closure of the plant in Amsterdam. The degree of concern is reflected in the fact that workers from the firms supplying the plant in Amsterdam have come here to the European Parliament to give voice to their anxiety. They are afraid that hundreds of jobs may be lost if production of car heater units is concentrated in Amsterdam. These people come from an area which already has 38% unemployment as a result of staff-pruning measures in the mining and steel industries. The jobs situation in the Ford plant in Genk in Belgium is likewise closely linked to developments in Amsterdam. Thousands of jobs may be endangered in Genk by the relocation of production of Transit models, although the trade unions believe that this loss will be balanced out by increased production of Taunus cars. What is going on here seems to be a sinister game involving money and human beings, with a hint also of one plant being played off against another.

There is a great deal of unrest in the car industry. Jobs are in jeopardy in all the Member States of the European Community and swinging measures are expected not only from Ford, but also from British Leyland, Fiat and other large companies. That is why the preamble to the motion for a resolution refers to the report produced by Mr Bonaccini and the resolution passed by this House on the situation of the European motor-vehicle industry of 9 February 1981. More specifically, paragraphs 30 to 34 inclusive of this reso-

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lution relate to the social aspects of restructuring, organizational changes in the production process and technological innovation. The resolution calls for consultations with the trade unions and coordination of these processes — including the application of the Social Fund — with accompanying measures in the fields of vocational training, retraining and so on, so as to improve mobility on the jobs market.

Unfortunately, it would seem that, from the information available to us five months after adoption of this resolution, the situation in the car industry has deteriorated and the initiatives we called for have been conspicuous by their absence. The 1 350 people employed in the Ford plant in Amsterdam have felt obliged for the second time to occupy the works to safeguard their jobs and to avoid dismissal, and although a little time has been won as a result of the judgment given by the President of the Court of Justice in Amsterdam, the conflict is still very much a reality. Four members of the Amsterdam works council are following this debate from the public gallery along with their British colleagues, because they of course have an interest in the conclusions the European Parliament will come to on this matter.

Taking a general view of the state of affairs, it is evident that the alternative solutions proposed by the trade unions have not been studied seriously. As the President of the Court of Justice in Amsterdam found in his judgment, there was insufficient information available to enable an assessment to be made of the justifiability of the measures taken by the management. The judge found in the judgment he proclaimed the day before yesterday that there could be no real question of a genuine exchange of the essential information and of any serious discussion of the proposals put forward by the works council and the trade unions. The judgment goes on to say that, in the court's view, the two sides had been talking at cross purposes. Even allowing for the fact that Ford Nederland has a right, as an independent company, to take whatever decisions it thinks necessary independently, it cannot be denied that the company is one part of a worldwide undertaking and clearly, a decision of such fundamental importance as this one is bound to be very strongly influenced by more general policy decisions taken at a higher level, so that the real considerations and objective arguments giving rise in the final analysis to this kind of decision are concealed — or at least, not very much in evidence — at the local level.

It is evident from this passage from the President's judgment that the proposals Mr Vredeling put forward years ago with respect to the introduction of an obligation on multi-national companies to divulge information will have to be taken really seriously.

It is also an odd thing, that whereas Ford Europe encouraged the European Parliament to adopt the Carossino report and thus do something to bring about the harmonization of the dimensions and

weights of commercial vehicles on the grounds that this would improve the market situation for new heavy commercial vehicles, the management of Ford Amsterdam was already drawing up plans for halting the production of the Ford Transcontinental.

We are therefore bound to come to the conclusion that there is increasing unrest in the car industry, that there is a lack of information on proposed measures, that the EEC has done too little to come to terms with the problems, that too little heed has been paid to the resolution adopted by the European Parliament in February 1981 and that too little notice has been taken of the views of the European Metal Workers' Federation on the European car industry. For that reason, we are now asking the Commission to enter into short-term consultations with the Metal Workers' Federation to investigate what means exist to prevent mass redundancies among the Ford workers, bearing in mind the facilities offered by the Social Fund.

President. — I call Mr Bonaccini.

Mr Bonaccini. — *(IT)* Madam President, ladies and gentlemen, the motion for a resolution before you represents an attempt to produce a document which would not express the viewpoint of one political party or the feelings of one social group. Of course, our sympathy and that of Parliament — a feeling of solidarity — goes out to many thousands of workers who have already been affected or are about to be affected by the hardest of realities — the loss of their jobs. But at the same time our sympathy and encouragement must go out to the managers of firms who are fighting to revive the European car industry.

The motion for a resolution already mentioned Mr Albers had — as you will all remember — considerable support in Parliament. The current situation in the car industry worries us once more, because there is too great a contrast between the great effort of will which was at that time made and the subsequent lack of practical measures and of suggestions which could have restored the hopes of workers and of all those who are concerned with the health and revival of the car industry.

We dealt with this problem in the Social Affairs Committee and I regret, Madam President, that it has not been possible also to debate this evening the proposal, or rather the request for a debate, tabled on behalf of the entire Social Affairs Committee by Mr Van der Gun, which would perhaps have made a further contribution to the understanding of these problems.

Six months later, as newspaper readers and those who like to keep in touch with European economic reality will be aware, we have the Volkswagen agreements, which have not yet been implemented, the painful

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experiences of the Ford Motor Company, about which Mr Albers has spoken to us and the events — more dramatic in some ways — now taking place at the Fiat works in Italy with 23 000 workers threatened with redundancy and many other tens of thousands who have had to put up for a long time with a standstill in most sections of the works.

Six months later we are witnessing closures, social measures which are not justified by experience, the loss to the car industry of whole sections of the market in Europe and throughout the world. We are all agreed therefore in emphasizing the dynamic role which this industrial sector used to have. It was not a question of saving the remains of an industry, but of ensuring that this sector had the capacity to provide stimuli, to create jobs and to promote research and development. We then stressed that, especially in the field of innovation and that of research and development, the car industry could have been an important factor, a dynamic element in European industry and we thought of creating — indeed decided to create — a fund to that end, and of providing additional aids. Frankly I do not know what stage has been reached, but I trust that the Vice-President of the Commission, Mr Ortolí — who I think is present here — will give us some information on the matter, i.e. that he will tell us whether that resolution has made any progress, and if so in what way. This is the progress for which I hoped yesterday, when I spoke on the statement made by Lord Carrington on behalf of the Council.

Yesterday I received a very voluminous document of which I only had time to read the title, but the significance of which, in the complex network of powers in the Community, is not yet clear to me. We shall study it very carefully.

However, you are well aware that on the questions we are dealing with here we cannot confine ourselves to a study. We are concerned here with tens of thousands of families and of threatened jobs. Moreover, it is clear that each country takes action for itself. I have just heard that in Italy a wideranging agreement has been signed by Fiat and other public-sector undertakings — an agreement which is capable of ensuring a strong revival of the Italian car industry. But I do not wish here to discuss only Italian matters; I want to speak more generally of a European or Community strategy, which cannot come about unless the other institutions take action. That is why we call upon the Commission and the Council of Ministers to ensure that this resolution becomes a stimulus to administrative and budgetary decisions on the part of our Community, and upon Parliament to express its solidarity and its will to ensure respect for its decisions.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Beumer. — (NL) Madam President, earlier this year the Christian-Democratic Group supported the Bonaccini report on the situation of the European motor-vehicle industry. In the course of the debate on that report, Mr Müller-Hermann pointed out that we did not have a very high opinion of a protectionist approach, but were more in favour of a constructive and cooperative attitude within Europe aimed at modernizing and improving production. The Bonaccini report had much the same to say. We took the view that the Commission had a role to play in stimulating the process of improvement and modernization. We regard what is now the Bonaccini resolution as a challenge to the Commission, underscoring the position this House adopted by a large majority earlier this year. Among other things, we agree with what the resolution has to say about expecting the Commission to explain more clearly how it views its task, what it thinks of the present situation and what its reaction is to that situation. We have decided, Madam President, to give our support to the urgent motions for resolutions tabled by Mr Albers and Mr Van der Gun. I should like briefly to run through our main reasons for doing so, which are as follows. Firstly, there is the fact that Ford Europe intends to close down the Amsterdam plant, but to continue building the most important model now made there. Secondly, we should like to know more about how the decision was reached. Thirdly, the attitude adopted by the Dutch Government is that financial support is not ruled out in principle. Fourthly, the Court of Justice in Amsterdam has ruled that the petition submitted by the works council is justified. Fifthly and finally, we should like to know what the Commission can do in this matter in the light of what it has had to say in the past about support for essential restructuring operations.

Madam President, let me leave you in no doubt whatsoever about the fact that my Group rejects protectionism and believes that there is no point in propping up production for which the future prospects are really negligible. Any money spent on propping up non-viable production would be better spent on properly future-orientated production. We would not seek to deny that the current production is loss-making and that there has to be some prospect of improvement in the future if Ford's decision is to be reversed. But I should like to draw your attention to the fact that, in the discussion with members of the Economic and Monetary Committee — the first meeting of its kind — representatives of Ford Europe said that they intended to maintain production of the Ford Transcontinental elsewhere if not in Amsterdam. The important question of where production would take place in the future remained unanswered, and for that reason we do not know why it is that the same product can be made profitably elsewhere. Incidentally, for fairness's sake, I should like to make the point that the second round of discussions with the Ford management in Brussels were of a free and frank nature. It is perhaps also important to point out, Madam Presi-

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dent, that the European Parliament and also the Commission are in a better position than any national parliament in a matter like this where the important thing is getting involved in organizations and companies whose activities are spread over a number of countries. For that reason, my Group would prefer not to view the Amsterdam issue in isolation, but to take an overall look in the context of the Ford company as a whole, at least to the extent to which we have access to adequate information. It would be even better if we could tackle this matter at the level of the car industry as a whole, which is why I asked yesterday for sectoral studies to be carried out. Incidentally, I think it worth noting that, in the same discussions I mentioned just now, it was said that if production were to be continued, it would only be possible on a reduced scale. As far as I am aware, though, this proposal has nowhere been made, and there is no information available on the subject. What we really need here is more information to give us a more complete picture of what is and is not possible on this point.

The problems we are talking about today underline once again the need for practical rules to be drawn up on the provision of information for people working in multinational companies, particularly as such information is not forthcoming on a satisfactory scale on a voluntary basis. For that reason, it is difficult, but essential, in this case to ascertain the origins of the decision which has been taken. Despite the clarifying discussions we Members of the European Parliament had on this matter, our information is still inadequate. The discussions were overshadowed to too great an extent by the decision in principle to close the plant, a situation which in particular made the original consultations with the works council difficult.

The original request for a subsidy to the Dutch Government was rejected because the government would have been called upon to bear too much of the risk. In principle, though, financial support is still a possibility, given a more normal share-out of risks and powers and given favourable prospects for the future. It is possible that, in the framework of its restructuring policy, the Commission may — and I am thinking here of certain statements made by Mr Pisani — be able to establish contact with the Dutch Government to assess the chances for coordinating support measures. The judgment handed down by the Amsterdam Court of Justice has made it possible for the Commission to show what forces it could muster given favourable prospects — and I am thinking here of the reports produced by the works council. Allow me to draw your attention here to paragraph 31 of the Bonaccini report, which could give us something to work on.

To sum up then, we are not in favour of protectionism nor of providing support for hopeless cases, but we do have a duty to study positive and realistic suggestions as promptly as possible and, wherever possible, without incurring any expenditure. In the light of all

this — and bearing in mind paragraph 4 of the Bonaccini resolution — we support the motions for resolutions seeking to study the situation in the works concerned in more depth and to adopt a joint approach to ensure that the necessary steps are taken.

President. — I call the European Democratic Group.

Mr Beazley. — Madam President, there is little further to say about the European motor-vehicle industry than was said in the Bonaccini resolution of 9 February 1981, and I speak on behalf of the European Democratic Group to that document and to Mr Bonaccini's new resolution. My Group supported the original resolution and it supports the new resolution tonight.

Why has Mr Bonaccini drawn up a new resolution? Because he wants some answers to the points that his original resolution raised, and so do my Group, as the basic problem remains unresolved. What is the problem? It is that in very changed world trading conditions the European motor-vehicle industry has to go through the painful process of restructuring. It has to be restructured, both for the changed European and the changed world markets. It has to be restructured to take account of modern high technology. This motorvehicle industry is vital to Europe; it is important to both upstream and downstream industries, both the internal common market and world trade, to employment within the Community and to the Community's balance of payments. For all these and many other reasons it must restructure itself and cannot be allowed to die. And all these things, given some breathing-space, it can do. However, it will not help itself, its share-holders, its employers or its purchasers if it does not adapt itself to the needs of today and tomorrow. So what does it have to do? Just read the original Bonaccini resolution. It must restructure itself in relatively stable conditions, it must have a fair chance to prove that it is capable of change. Therefore, the Japanese industry must observe voluntary restraint. Japan, with its ever-increasing dependence on world markets, including the valuable European home and export markets, must play a full part by helping to adjust the Community's unfavourable balance of trade, not just by the level of its exports of motor-vehicles, but also by greatly increasing the level of its purchase of all kinds of goods from Europe. The last-ditch measure of permitting the European motor-vehicle industry a level of protection must be avoided if at all possible, but Europe cannot continue its forbearance indefinitely and Japan and Comecon would not expect it to do so. Finally, Madam President, the Commission must see to it.

President. — I call the Liberal and Democratic Group.

Mr Delorozoy. — (FR) Madam President, the Liberal and Democratic Group is in basic agreement with the proposals contained in Mr Bonaccini's resolution that is, seeking information from all the parties concerned, an effort to reach a common policy for the motor car industry, a common export policy and so on; we also agree that it is essential that we deal with the social aspects of the structural and economic crisis in this sector at a Community level and as quickly as possible.

Like the many others of whom we have been reminded, the Liberal Group spent the latter part of last year discussing this very difficult and serious problem with the authors of the report. Several speakers have reminded us today that this House has not forgotten the report by Mr Bonaccini and our Resolution of 9 February last; what I would add is that if we wish to approach the question realistically and find Community-level solutions to the economic crisis — particularly that in the motor industry — I do not think we should be considering each national situation separately, no matter how great the importance of any particular one of them. I note, indeed, that in his speech Mr Albers wisely moved away fairly quickly from the subject of his own resolution to deal with the problems of the motor industry in general.

I will close by saying that in our view we should be coordinating all measures justified by the situation on the European market. Only by having a harmonized, coherent Community policy for restructuring production can we deal with the problem realistically, unitedly and for the long term. In our view the Commission must set to work urgently in this way, and we, like the previous speakers, shall be interested to hear Mr Ortoli's reply.

President. — I call Mr Spencer.

Mr Spencer. — Madam President, I wish to separate the comments I am making. First of all, I would say personally that I think it is regrettable that we are discussing here a specific closure in a specific country; that seems to me a dangerous precedent for bringing every industrial dispute to this particular level of European legislature. My Group, I think, would have preferred it if the excellent motion of Mr Bonaccini had been the basis for our discussions, and I hope Members will be careful with what they say tonight as the matter is still in the hands of the Dutch courts.

Next I should like to speak briefly as the man who has the honour to be the rapporteur for the Vredeling proposals, which has been mentioned by Mr Albers and others. Regardless of the judgment of the Dutch court, which he was kind enough to quote to us, I would have said that the degree of consultation entered into by Ford Nederland in this case went away beyond that which is anticipated under the Vredeling proposals. The latter normally envisage about forty days for consultation before the imple-

mentation of a decision. My understanding from Ford management and Ford's Works Council, which have both been to see the Social Affairs Committee in special sittings, is that the Ford management have been in consultation of one kind or another with the Works Council on this matter since September of last year, and that they have given them the full information concerning the European market on which this closure decision is based. I think it is worth observing that the more one goes into this particular closure, however regrettable it may be for those who, through no fault of their own, are caught up in it, the clearer it becomes that it is a closure consequent upon the integration in Europe of the Ford Motor Company. The plant was originally put in the Netherlands in order to surmount tariff barriers: those tariff barriers no longer exist. Furthermore, the decision, in my humble opinion having talked to both sides in the argument, was taken both by Ford Nederland, and by the management group which goes under the name of Ford Europe. My point is that the decision was taken in Europe and not in Detroit, and when we are considering the Vredeling proposal at a later stage, we may well realize that this example and others prove that it may be more sensible to concentrate on making the European management of global multinationals responsible to the European Community rather than chasing to no avail after managements based outside the territory of the Community.

Finally, Madam President, speaking for my Group on this particular motion, I just ask the mover, Mr Albers, a man for whom I normally have a great affection, to consider seriously what he is proposing in this resolution. He is holding out to the workforce in Amsterdam the possibility that money from Europe may prevent a closure. Now, let us ask ourselves how much money. As I understand it, and I think the Works Council agree with the figures, the plant is losing 600 000 EUA a week, and when the Dutch Government was asked for aid, the aid package which both Works Council and management agreed was necessary was in the order of HFL 192 million — that is 70 million EUA. Now, do you seriously think — and at this moment I address myself to Commissioner Ortoli — that the Social Fund has money of that quantity to spend on this particular closure? Does it, moreover, have the legal basis to spend that money on the car industry, and on a plant not placed in a regional area of Europe? All the time in this Parliament we must make judgments and priorities with the limited money which we have. Therefore, regrettably, I and my Group come to the conclusion that Mr Albers and his Socialist friends are playing again that most unacceptable of political tricks, which is to hold out the promise of political money when you do not have it, and you know you do not have it, to raise hopes which you cannot hope to fulfil. Therefore my Group, and I particularly, will vote against the Albers resolution.

President. — I call Mr Albers.

Mr Albers. — (NL) On a point of order, Mr Spencer said that he wanted to await a judgment from the court. Only a few moments ago, I very clearly quoted from the court's judgement. The judge came to the conclusion that too little information had been made available and that too little heed had been paid to the alternative solutions formulated by the trade unions. I can only say to Mr Spencer that he clearly was not listening properly.

President. — I call Mr Spencer.

Mr Spencer. — Madam President, I am sure you will allow me a point of order similar to that which Mr Albers has just had. The point I was making is that the Dutch court has imposed, if you like, a temporary injunction on the matter, but I gather that the Works Council is contemplating suing the management for mismanagement at a later stage; that is what I meant when I said the matter was still before the Dutch courts. I am not saying that we should wait for a judgment; I am saying there may well be a series of judgments.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (FR) Madam President, your discussion this evening relates to both the general problem of trends in the motor industry and the particular, very sensitive, problem of the closure of the Ford factory in Amsterdam.

Since the two questions are being discussed in a joint debate, I shall have to try and bring them together, that is to say I shall have to refer to the particular problem which is the subject of the motion for the resolution before you at the same time as I deal with the more general problem.

Mr Bonaccini has already described the background to you and so I need not do so a second time. He gave you a brief summary of the significance of the motor industry, of its significance as a direct employer and of the major significance it has in the general and regional economy. I believe that the debate which you held on a report by Mr Bonaccini in January, here in this Chamber, gave a very clear indication of the role which the motor industry has played in the economic development of our Community, of the problems which it is now facing and consequent difficulties which we are examining today, not all of which are the result of market trends.

There is no need, as I said, for me to get into detail a second time about generalities. I should like simply to tell Mr Bonaccini, who referred to the document which we have just submitted, that as a follow-up to his report and to the resolution which this Assembly adopted, the Commission has continued with the work

which Mr Davignon has already described to you in detail both in Committee and in plenary session, and that we have drawn up a full report which not only considers the basic facts of the situation but also suggests a number of guidelines and even some Community-level action.

Briefly, I can tell you that the guidelines relate to strengthening the internal market. There is an element of harmonization, both of fiscal aspects and of provisions relating to energy there is an element of promoting innovation, and modifications to the regulations which govern the motor vehicle industry today at a time of developments in the economy, technology and trade with which we are all familiar. The document thus contains in the first place our views and our suggestions, on which we would appreciate your opinion.

Secondly we have referred to the special problems arising as a result of the changes with which we are familiar, particularly the Community's responsibility, for example, for managing a competition system which has to take account of the motor industry's need for increased cooperation. What is more, we are beginning to perceive new ways of helping and a kind of harmony can be established at Community level. And at the same time, we must give further thought to the questions of using Community funds to help the motor industry — funds from the budget or from loans which have, as you know, only been used so far for local projects as part of regional aid.

The third point about which I share Mr Albers' concern relates to social change and to a question which you yourself raised in your report, Mr Bonaccini, and mentioned again in your conclusions. I am referring here to the need to observe trends in this sector very closely and to have maximum information. There is no need for me to labour the point, since you have ready spoken on it at length, but it is a view which we share and we consider that something must be done at Community level.

As regards aid from the Social Fund, with your permission I will not give a direct answer to a question about a specific case. By which I mean that this is a problem which must be considered in depth, and I will answer your question in the form in which you put it, that is in terms of general principles. Basically, there is no reason why the Social Fund should not be used, provided certain very specific conditions are observed, for example developing job training and smoothing out any changes which take place, but this has to be done within strict legal and financial limits: legal because the Member State involved must make a formal request, and financial because, as you know, the Social Fund has limited resources and although it is increasing rapidly and regularly, not least because of Parliament's own initiative, it obviously cannot take financial responsibility for every development which takes places in the Community.

Ortoli

The last question is what we might call dialogue with our trading partners. We shall have the opportunity to talk about this tomorrow since the report on Japan which is to be debated tomorrow morning is clearly a time when we shall have to tackle the problem of the motor industry.

Forgive me, Madam President, for the length of my speech, but I have wanted to show, albeit in an urgent debate, late at night and in what has inevitably been a short debate, that the Commission wished both as a result of Parliament's initiative and because of its own responsibility to consider in depth the problems which we are facing.

This leads me to one conclusion which is quite explicit: the document which we have submitted and which, Mr Bonaccini, you say you received only yesterday or today will, I believe, repay serious study and we must start discussions again. Every industrial means at our disposal — both national and Community — which may help us deal with this very special situation must be discussed. I repeat what my colleague Mr Davignon has already said, in his name, in my name and in the name of the Commission: you will find that we on our side have a real wish to see the Community play its proper role — a role which is necessarily limited but none the less important. I have mentioned just a few of the points for discussion, and I hope this problem will work out happily.

President. — The joint debate is closed.

(Parliament adopted both resolutions)

9. *Distortion of horticultural markets — Price for agricultural products for 1981-82*

President. — The next item is the joint debate on two motions for resolutions:

- motion for a resolution (Doc. 1-318/81), tabled by Mr Welsh and others, on the distortion of horticultural markets;
- motion for a resolution (Doc. 1-373/81), tabled by Mr Früh and others, on the application of the Council's price decisions for agricultural products for 1981-82.

I call Mr Welsh.

Mr Welsh. — Madam President, it is a great pleasure for me to propose this resolution, which does not in fact stand in the name of any particular group. But this resolution, like its immediate predecessor, was in fact signed by 60 signatories throughout the House from seven different Member States and five different political groups, and I hope that honourable Members

will take this as a sign of the genuine concern with which this matter is viewed by Members from all Member States.

The facts are not in dispute. The *Gasunie*, which is 50% owned by the Dutch Government, gives a price to Dutch horticulturists which is well below the price offered to other commercial users. To illustrate what I mean I can do no better than quote from the words of the Commission itself in the person of Vice-President Gundelach last October when he said in answer to a question in this House: 'The Commission finds that there is a clear distortion of competition in this sector caused by the special tariff applied for gas supplied to Dutch horticulture. Therefore the Commission has now decided to engage the State-aid procedure, foreseen in Article 93, paragraph 2, of the Treaty, against the Netherlands.'

As an example of the distortion taking place, I can mention that Dutch exports of tomatoes to the United Kingdom during the first six months of this year — and this was 1980 — have increased by 85% and lettuce exports to the UK have increased by 50% in the same period. In March, in answer to a further question, the Commission said that they hoped to have an answer from the Dutch Government in April. And in April, in answer to yet another question, they said they hoped to have an answer in May. And in May they got an answer, and do you know what it was? The Dutch Government said that they would actually raise the price of their gas to horticulturists to the same level as they offer to their industry by 1984. And so that the Dutch horticulturists would not suffer, they actually also said that they were going to pay them HFL 300 million, or UKL 60 million, to tide them over the gap. Madam President, it is a little like a man who is burning down a house saying that if you agree to pay for his petrol, he will leave you a few cinders at the end.

It is quite clearly totally unacceptable to the growers of Lancashire, of Germany, of Belgium, and indeed of France, all of whose governments have been forced to pay out large sums of money in subsidies simply to keep their growers in business. It will interest Members to know that if the present Dutch proposals are implemented, in 1982 they will still enjoy a 40% advantage in terms of costs of heating per acre compared with those constituents of mine in Lancashire. Now, of course, not all that is attributable to the subsidy, but herein lies the ludicrous nature of this whole business because, of course, the Dutch growers do not need the subsidy. They are very competitive anyway. So why on earth is the Dutch Government being allowed to permit these cheap charges when they do not even need them to stay competitive.

I would address my remarks to two different quarters here tonight. First of all to my Dutch colleagues, and particularly my esteemed and honoured friend Mr Louwes. Do not, gentlemen, try to defend the indefen-

Welsh

sible. Every government, every politician does his best for his own constituency. Indeed, my own government does its best for the English growers, but every now and again they get caught and they have to stop.

I ask you, do you really want to risk the breakup of the common market by insisting on these stupid subsidies when you do not even need them? Because how am I expected to go back to my people in Lancashire and say to them, 'this distortion is allowed to continue. Your livelihood is going to be taken away and the common market, our common market, can do nothing about it'. If you insist on that, I tell you that the pressures will build up to such an extent that we will very probably force our governments to put on national controls, and then where will all your investment be? Where will it be?

But my more serious remarks are addressed to the Commission, because the Commission's performance in this whole matter has been appalling. In June, in answer to a question on this matter, the Commissioner said that he would look into it. He would look into a question that his own predecessor had said in October last year was a gross distortion of the market. I assume from that that the Commission had not even discussed it. And on Monday this week, President Thorn — yes, President Thorn! — said that he could not do anything about it until September because he did not know who to telephone. Now for heaven's sake! The Commission is supposed to be the guardian of the Treaties. We have here a clear violation of the common agricultural policy and President Thorn is not doing anything about it because he does not know who to call on the telephone! What am I to tell my constituents? What am I to tell the people in England who have doubts about the working of the common market? Am I to tell them the President of the Commission does not know who to call and therefore he cannot help them? Well, of course not.

And I would say this to you seriously, gentlemen. We have heard many speeches about Europe pulling together, new initiatives, high-sounding phrases, but if you are not prepared to carry out your absolutely elementary basic duties under the Treaties, then you will forfeit all respect from the people of Europe and you will not be able to carry out the reforms which you pretend to aspire to because you are not able to do your basic job. In moving this motion, Madam President, I call on the Commission to do their job.

President. — I call Mr De Keersmaecker, who is deputizing for Mr Früh.

Mr De Keersmaecker. — (NL) Madam President, ladies and gentlemen, I have unexpectedly had to take the place of Mr Früh as spokesman for the Committee on Agriculture. I willingly agreed to stand in for him because, in the debate on the price decision, I had

myself drawn attention to the danger that the decision might be applied too late and levies might be imposed. Unfortunately, my fears have proved all too well-founded, to the great displeasure of the Committee on Agriculture. Meanwhile the Agriculture Council has taken decisions on the implementation of the market organization in sugar, and has also adopted the implementing regulation for the new oilseed year, as well as ensuring the application of various structural measures.

There are still a lot of urgent problems to be dealt with in various sectors. Let me start with the cereals sector, where we have an absolutely intolerable situation as a result of the belated fixing of intervention measures and the conditions governing intervention. This is particularly true of baker's wheat. Our fears have now proved justified, and the producers have indeed been required to pay levies. The grant for rapeseed can only be calculated on a provisional basis in view of the fact that the price increase has not yet been made public. In the meat sector, prices were announced 14 days after the decision had been taken by the Council. However, negotiations on the dismemberment of carcasses are progressing very unsatisfactorily, with the result that it is practically impossible to ensure that the decision is applied properly. German producers in particular are up in arms and have pointed out the risk of manipulation. In the fruit and vegetables sector, the uncertainty was not removed until 14 July, and then only in a very unsatisfactory fashion — as a result, among other things, of the fact that the Commission wants to apply the support provisions only on an annual basis, which will in turn mean a loss of interest for the producers. Finally, the support provisions for skimmed-milk powder and skimmed milk were not decided on until 14 May, and uncertainty remained right up to that date.

Generally speaking then, the whole process has been very unsatisfactory. For one thing, there was the intolerable and unjustifiable uncertainty borne by producers, cooperatives and by the trade in general as a result of belated or wrong decisions or simply the non-implementation of decisions. Secondly, we have witnessed the drop in incomes we had warned about earlier. The important thing as far as we were concerned was not to get a figure down in writing. What we were concerned about was ensuring that the producers would receive the income they had a right to. It is therefore totally unwarranted for the uncertainties — as the text of the motion for a resolution has it — in respect of the organization of the market in sheepmeat to block the implementation of decisions in other sectors, to wit wheat, wine and olive oil. We should like to urge the Council to do whatever is necessary to put an end to this regrettable situation as quickly as possible. I address that appeal to the Council not only in my capacity as spokesman for the Committee on Agriculture, but also on behalf of my Group. I shall be interested to hear what the Commission and the Council have to say on this.

President. — I call the Socialist Group.

Mr Woltjer. — (NL) Madam President, I must say that I listened with no small measure of surprise to what Mr Welsh had to say just now. Under no circumstances can I endorse the picture he painted of the current situation. Mr Welsh sought to give the impression that Dutch horticulturists were receiving a whopping subsidy and that the problems resulting from the Dutch Government's increase in the price of gas did not affect farmers in the Netherlands. As if the situation were as simple as that! Mr Welsh claimed that profitability was so high that the Dutch horticulturists could easily pay the full price, and that British producers should be given a chance too. This just goes to show that Mr Welsh has not devoted very much attention to the problems and that he is ill-informed. Clearly, his motion for a resolution is intended solely as a sop to his constituents to convince them that their MEP is working hard on their behalf. I trust that this House will be a little more discerning.

My objection to this motion for a resolution is not so much that it is first and foremost of a regional nature, but that it does not accord with the facts. The fact is that the agreement is of a private-law, as opposed to a government, nature. The essential element is that the Dutch Government, acting under pressure and at the behest of the Member States, entered into negotiations with Dutch horticulturists and with Gasunie, the outcome of which was an agreement to increase gas prices quicker than had originally been planned to bring the price of gas up to the level of oil. In the light of that, it is an astonishing suggestion that the Dutch Government is endeavouring to distort the competitive situation so as to improve the position of Dutch horticulturists. Nothing could be further from the truth. Quite clearly, the Dutch Government has acceded to the request made by the Member States and by the Commission. What is the point then of this odd motion for a resolution? At a time when the Commission is still studying the matter and when the Dutch Government has submitted its proposals for the Commission's scrutiny, this House is already engaging in a debate on those proposals and is already sitting in judgment on the acceptability of those proposals. That is the remarkable thing as far as I am concerned — at a time when a detailed study is still in progress that we should be debating the matter on the strength of a motion for a resolution. It seems to me that if this House decides to deal with the matter in this manner, it is in effect taking a very one-sided view. The fact is that gas prices must be increased by 40% by 1982 and that the government is attempting by way of energy-saving measures alone to protect the position of the 70 000 people who are employed in this sector, to give them some chance in the future. Those are the facts the Commission is being asked to give its opinion on. The idea of the European Parliament telling the Commission that it must fulfil its obligations under the Treaty of Rome is, to my mind, totally superfluous, because that surely goes without saying.

Moving on to a few detailed points from the motion for a resolution, it seems to me in the first place that Mr Welsh ought to be looking elsewhere for the real problems. At a time when Dutch horticulturists are watching their own incomes and the profitability of their holdings coming under serious pressure, the real problem is one of imports. Only recently, I asked the Commission a question about imports of tomatoes from Romania. What I was concerned about was whether the tomatoes in question were grown outside or under glass. It has been shown that it is impossible in Romania — at least in the months of May and June — to grow tomatoes outside, but despite this, tomatoes are imported from Romania into the Community as having been grown outside. I hope that the Commission will now come up with an answer to my question.

There is one other important point I should like to add. It seems to me that, if someone accuses you of using unacceptable methods — something I incidently dispute on the grounds that they are in accordance with EEC rules — you have a right to protect your own interests and take a look at what measures the other Member States are using — by way of VAT and other such measures — to protect their own growers against competition from other Member States. There is quite a lot to be investigated here, and I should like to ask the Commission to draw up a list to see what the situation is in other Member States. Let me repeat — I am against protectionist measures on the part of Member States and it is up to the Commission to do whatever it can to get rid of them. That is something we said in the Plumb Resolution.

But if we go about things in this way and — as it were — view things from the Commission's angle and assert that this or that is going on, it seems to me that we shall get nowhere . . .

Finally, allow me to move on to the deal with the motion for a resolution tabled by Mr Früh, to which I think my Group is bound to take a favourable attitude. It seems to me — and this follows on from what I was saying just now — that the Member States of the European Community are steering a wrong course if they enter into negotiations with each other in this way, as was the case with the price proposals in the Council. On the one hand, the British are accusing the Dutch of adopting unfair measures favouring Dutch producers, but on the other the United Kingdom is prepared to block all progress to ensure that the claw-back is applied to their percentage. If this is the way we conduct our negotiations with each other, I am sure we are on the wrong road. I would therefore ask Mr Welsh to withdraw his motion for a resolution and wait until the Commission has pronounced on the gas price question. It is also essential for the blocking measures I mentioned just now in the Council to be lifted so that the decisions we took earlier can be implemented.

President. — I call Mr von Wogau.

Mr von Wogau. — *(DE)* Madam President, ladies and gentlemen, I should like to give my wholehearted support to the motion for a resolution, and here I am speaking on behalf of myself and Mr Bocklet, Mr Pöttering and Mr van Aerssen, all of whom have told me that the same problems exist in their constituencies. As a result of the rise in the cost of energy, and not least because of competitive distortions, the situation in the horticultural sector is indeed precarious. For instance, a market gardener in the Lake Constance area has to pay three times as much as his counterpart in the Netherlands for the calorific equivalent of a litre of heating oil. Geographical advantages are only partly to blame for this situation; the main culprit is unfair subsidies, and under the terms of the Treaty of Rome, such subsidies have to be abolished.

Horticulturists in the Federal Republic of Germany suffer a further disadvantage in that variety of cost-saving pesticides are banned in Germany but not in the Netherlands. That too is incongruous, and such incongruities should be done away with in the future in the European Community. In this case, people's livelihoods are in jeopardy, and in the regions affected, it is doubtful whether the younger generation will be prepared to carry on with such businesses in the future. A further point is that a concentration of horticultural holdings in just a few regions would not be in the interests of the consumer. Housewives undoubtedly have a vested interest in being able to buy fresh vegetables in the area in which they are produced. For this reason, we shall be supporting Mr Welsh's motion for a resolution.

President. — I call the European Democratic Group.

Mr Provan. — My Group will support the resolution initiated by the Committee on Agriculture, and I am glad to say that it was initiated in Edinburgh. We should like to see a speedy implementation of the price decisions that have been taken in the Council of Ministers, but the loss in trade in sheepmeat, running at 17% between the UK and the rest of the Community, is causing severe problems for free movement and fair competition in Community trade. I hope that the passing of this resolution will allow the management committee of the Commission to take the interim measures that are necessary to remedy the situation. Goodwill has been shown in the Council of Ministers. The hill farmers of the Community have suffered for long enough.

President. — I call the Liberal and Democratic Group.

Mr Brøndlund Nielsen. — *(DA)* Madam President, I should like, on behalf of my Group, to make a few remarks on the two motions for resolutions before us.

First of all, there is the motion for a resolution on distortion of competition in horticultural markets which has been discussed by Mr Welsh and others. The guiding principle of the European Economic Community is of course that free trade under the same competitive conditions should allow the people of Europe to enjoy the advantages which have been seen to arise from a free economy.

The Dutch Government's undisguised and self-confessed aid to horticulture in that country constitutes a serious blow to this basic Community principle. This State aid is doubly serious. We might just about accept that it can take time — and, for the rest, far too little is being done to eliminate the special advantages which certain countries traditionally enjoy — but aid by means of cheap gas for heating in horticultural holdings is not exactly a new development, while the development of common competitive conditions should have been underway for a long time now. For this reason, this is a real blow to the Community ideal and the development of the Community. This Dutch aid to horticulture is also reprehensible since it affects the production factor which has been by far the most serious and has been the source of by far the greatest difficulties for horticulture in recent years, i.e. energy. Thus, the subsidy arrangement, which, as the Dutch government itself has admitted, is discriminating — in fact it has announced its intention to call a halt to it — has already caused serious damage to other producers in the Community. It must be entirely abolished and Parliament should declare itself to be in favour of this abolition by voting in favour of the motion for a resolution. We in the Liberal Group want to see the Community develop, and we are fighting for the advantages of a free economy. For this reason, we support this motion for a resolution and urge all of you here today to do the same.

However, I should also like to make a few remarks on behalf of my Group regarding the motion for a resolution tabled by the Committee on Agriculture. This motion for a resolution, which we will be able, if we wish, to adopt today, is, in my view, very justified. It is a great pity that this year, when we managed to get the price fixing for the current production year completed very quickly and in good time, we should witness a situation where these arrangements cannot be fully implemented because there are a number of difficulties which the Council and Commission are unable to overcome. I would therefore urge this Parliament, if possible unanimously, to call for the implementation of these decisions and to urge the Council and Commission to clear up these obstacles preventing all these prices coming into force as soon as possible. The Commission has, I see, produced a proposal for a compromise and I hope this is something all the parties involved will be prepared to accept, so that the entire price system adopted may be put into operation. It is, I think, our duty in this Parliament, where we were very pleased at how swiftly we got through the debate on the price fixing, to apply

Nielsen

pressure so that the price proposals may in fact come into force.

(Applause)

President. — I call Mr Tolman.

Mr Tolman. — (NL) Madam President, I should just like to say with respect to the motion for a resolution tabled by Mr Welsh that, although I have no doubt as to his motives, the fact is that the text he has produced is a poor piece of work. It is poor because the information it contains is erroneous and because I get the impression that Mr Welsh has allowed himself to be influenced by what has been published in certain quarters.

There are two issues at stake here, the first of these being the discrepancy in the price of gas. Mr Welsh ought to have known that the negotiations taking place in the Netherlands have achieved complete agreement and that the Netherlands will be back in step by 1984. Admittedly, there is still an exchange of letters going on at the moment with Mr Thorn, who has asked for an explanation and who feels that the matter is taking a bit too long. That is something we can talk about, but there are really no grounds for claiming that there is a lack of goodwill in the Netherlands for dealing with this problem.

The second aspect is of an entirely different nature and concerns the HFL 300 million the Dutch Government would have liked to make available for energy-saving measures. What could be more sensible, Madam President, than for us in Europe and in the Netherlands to make every possible effort to save energy? After consultation with Dutch horticulturists, a proposal has been submitted, and that means — after all, these things do not come into being just like that — that the proposal in question has been submitted to Brussels. If Brussels comes to the conclusion that the proposed measures would tend to distort competition, the other proposals concerning the HFL 300 million would fall by the wayside. I cannot imagine that that would be allowed to happen, since the whole thing is about energy-saving.

My summing-up, Madam President, is that this motion for a resolution is insufficiently thought through, is based on wrong thinking and erroneous information. For that reason, we must urgently recommend that it be rejected. Indeed, the best solution would be for Mr Welsh to withdraw it, and I hope that he agrees.

President. — I call Mr Simmonds.

Mr Simmonds. — Madam President, I wish to intervene very briefly tonight to add a postscript to the

effect that it is possible to table literally hundreds of resolutions highlighting differentials in energy prices throughout the Community. As a farmer and horticulturist I can well understand the complaints which have been raised in this motion. But as I represent the most industrial constituency in Europe, may I point out to you that the one remaining steelworks in my constituency has an agreed quantum of steel that it may produce. It has an agreed price at which it may produce that steel, but it has a 30% price handicap in the amount that it has to pay for its electricity to cook the steel.

One of the least attractive aspects of the work of the Community is the fact that, when a subsidy is applied in whatever field, it seems to take rather more than a year — and very often several years — to remove that distortion because of the slowness with which the subsidy is corrected by Commission and Council and eventually in the courts. Tonight the ogre in this motion is the Dutch Government that has applied this subsidy to the horticulture industry, but I would prefer to direct attention to another ogre, the lack of a common energy policy in the Community which would mean that we could trade in all products on equal terms with genuine competitiveness.

President. — I call Mr Louwes.

Mr Louwes. — (NL) Madam President, I should like to begin by saying that distortions of competition must meet with our disapproval whenever they occur by virtue of national support measures. But in dealing with the question of whether the distortion of competition has in fact taken place, it is not enough to look at only one aspect. In this particular case, we must take a look not only at the price of energy, but also — as Mr Simmonds said just now — at national fiscal and social measures, and in this respect our Dutch horticulturists are at a very great disadvantage. Allow me to quote from what Mr Welsh said in this respect — and I entirely agree with him on this — that competition is always regarded as unfair if it is successful. I could not agree more. And I should like to say to Mr von Wogau that his theories regarding buying local produce remind me more of the Middle Ages or the like. The question we must ask ourselves here is whether national support measures are in operation, and the answer in this case is no. The gas prices paid by Dutch growers are neither fixed nor subsidized by the Dutch Government. The price is the outcome of a private-law agreement between Gasunie and the farmers' organization. A few weeks ago, the two sides got together and agreed — and Mr Welsh was quoting from extremely outdated information — to catch up quickly on the lag in gas prices paid by agriculture.

With regard to the HFL 300 million for sectoral policy earmarked for energy-saving, I go along totally

Louwes

with what Mr Tolman had to say just now. This kind of sectoral policy involving government support is found in various sectors elsewhere in the Community.

This motion for a resolution is really no more than a stab in the dark. For one thing, there is no question of the Dutch gas prices seriously disrupting the market, not to mention the fact that under the new contracts, reference is made to upholding them.

For another, the Commission cannot reach an agreement on gas prices with the Dutch Government. These prices are agreed between independent legal entities and fortunately, the Dutch Government is bound to respect these private-law agreements. For these two reasons, I believe that this motion for a resolution should be rejected.

President. — I call the Commission.

Mr Pisani, Member of the Commission. — (FR) I would need many hours to try to discover the logic which led the Bureau to hold a joint debate on these two texts, for they have nothing in common — neither their subject-matter nor the passion they arouse. The second, which is very important, has aroused no strong feelings, while the first, much less important, has aroused a good deal of bitterness, particularly on the part of Mr Welsh.

I would like first to reply to Mr De Keersmaecker, who was speaking on behalf of Mr Früh.

Whence does the problem arise? It arises from the link made by the British Government between the solution of the sheepmeat problem and its final acceptance of the price decisions which have been taken. Despite the failure to solve the sheepmeat problem, the British Government accepted a number of decisions in the middle of June.

It makes its final acceptance of all the price decisions conditional on a solution to the sheepmeat problem. From this problem I have learnt a new English word — 'clawback' — whose meaning I have not yet fully understood, but my knowledge of English is poor.

What point have we reached? The Commission discussed the matter the day before yesterday in this very building and sent the management committee a proposal for a solution to the problem in question. The management committee will meet on Friday the 10th. Three possible solutions may emerge from this meeting: firstly, that it fails to agree; secondly, that it rejects the Commission proposal; thirdly, that it adopts the proposal. Everything suggests that the management committee will adopt the proposal for a solution, and in that case the first subsequent meeting of the Council of Ministers will easily solve the problem, since it will merely have to note the comple-

tion of a procedure. I am in a position to tell you today that, in all probability, the management committee will draw up the decision in accordance with the Commission proposal and the Council will be able finally to solve this problem which has dragged on for too long.

I am surprised that Mr Welsh criticized the Commission to the extent that he did. His analysis of the situation is not very different from our own. But the conclusions he draws are radically different. Our analysis shows that there is abnormal intervention to the advantage of Dutch growers, and this intervention is an infringement under certain clauses of the Treaty. On the strength of this certainty, the Commission asked the Netherlands Government to rectify the situation. An exchange of letters took place, in the course of which contact was made with the firm supplying the gas — a company with 50% State participation — and with the growers' organization. An initial price adjustment was decided upon. Upon examination of this agreement, the Commission decided that it was inadequate and that the distortion remained. In particular it felt that the deadline chosen for putting an end to the present situation — 1984 — was too far off. The Commission discussed the matter and once more approached the Netherlands Government, asking it to take a decision before the end of this year with a view to substantially shortening the time limits it had asked. A high-level meeting is due to take place between Commission representatives and those of the Netherlands Government in October. If the Netherlands Government does not then take a decision to put an end to this abnormal situation, legal proceedings will be instituted against it.

President. — I call Mr von der Vring.

Mr von der Vring. — (DE) After what the Commissioner has just said, Madam President, is the author of the amendment going to withdraw paragraph 3 of the amendment? If this is not the case, I should like a separate vote.

President. — Do you withdraw it, Mr Welsh?

Mr Welsh. — No, Madam President, I am not prepared to withdraw it.

President. — I call the Commission.

Mr Pisani, Member of the Commission. — (FR) The Commission is naturally against the wording of this motion if the author will not amend as he has been asked to.

President. — The debate is closed.

(Parliament adopted both resolutions)

10. *Written explanations of vote*

President. — I have an announcement to make before we move on to the Habsburg motion for a resolution.

It has been brought to my notice that some written explanations of vote have been arriving too late. During the current part-session the Secretariat has received some explanations of vote relating to votes which were taken during the June part-session. I would remind Members that written explanations of vote must be submitted to the Secretariat either before the vote or at the latest by the end of the sitting at which the vote has been taken.

I call Mr Patterson.

Mr Patterson. — There is a problem here. An example of this is that I submitted an explanation of vote at the end of the debate and vote on the Zagari report. But that vote took place so late that it was impossible to get it tabled before the end of that particular day. I tabled it the next morning. Now it was not included in the *compte rendu*. Would it be possible to have a ruling at some stage as to when the deadline should be for explanations of vote which take place at the end of a day's debate, for example eleven o'clock the following morning? This would make it much easier for everybody concerned.

President. — Mr Patterson, requests to give an explanation of vote can be accepted only until the moment when the first speaker begins his explanation.

Mr Patterson. — We must be at cross-purposes, Madam President. I am referring to written explanations of vote. A written explanation of vote has no set deadline. The problem is that at the end of a day there is no possibility of tabling a written explanation of vote until the next morning. Therefore it does not appear in the *compte rendu* as this has already been printed by the time the next day's sitting opens. Could we have some kind of ruling as to when on the following day a written explanation of vote should be tabled?

President. — Mr Patterson, we can refer this matter to the Committee on the Rules of Procedure and Petitions because it is not covered in the Rules, but I think that the following morning is already too late as the *compte rendu* will already have been printed.

A written explanation of vote should be tabled by the end of the sitting at the latest, since printing starts immediately afterwards.

Mr Patterson. — Could I ask that this be referred to the Committee on the Rules of Procedure and Petitions for a ruling, although I accept your ruling on this occasion?

President. — It will be done, Mr Patterson.

11. *Prevention of terrorism*

President. — The next item is the motion for a resolution (Doc. 1-368/81), tabled by Mr Habsburg and others on behalf of the Group of the European People's Party (CD Group) and Lady Elles and others on behalf of the Socialist Group, on the prevention of terrorism.

I call Mr Habsburg.

Mr Habsburg. — *(DE)* Madam President, terrorism in all its guises has increased dramatically since the beginning of this year. It is impossible nowadays to open a newspaper without reading about attempted assassinations and murder. For all the peoples of Europe, the attempted assassination of Pope John Paul II was particularly shocking because the blow was aimed at a person who does nothing but good, who is a threat to no-one and whose many visits to all manner of countries have given people the chance to express their inward emotions of faith and love. If the Pope's life is in danger, then the lives of all of us are in danger. Safety has quite literally ceased to exist. Modern technological developments and the effective shrinking of the globe have given a new dimension to terrorism. Terrorist organizations respect no national frontiers, as the outrages perpetrated by the PLO, the ETA and the IRA show. The really serious thing is that these organizations have the backing of international powers and even governments — like that of the Libyan dictator Gaddafi. In the face of this assault over a broad front, our own defences are hampered by obsolete concepts of national sovereignty. The terrorists are twentieth century operators for whom Europe is already effectively a single entity. We though are still firmly rooted in the nineteenth century because our national governments have so far not been prepared to face the facts and implement the existing proposals for a European legal area.

That being so, we may rest assured that terrorism will increase still further in the near future, and that blood will continue to be shed for no purpose whatsoever. Under the circumstances, it is high time we representatives of the peoples of Europe made the national

Habsburg

governments face up to their responsibilities and, at long last, do what our people are calling on them to do with increasing urgency. After all, we have the necessary legal instruments at our disposal. The Council of Europe's draft Convention on the Suppression of Terrorism is a very good example of how to do whatever is necessary to protect innocent people while at the same time retaining all the characteristics of democratic government based on the rule of law.

Likewise, the Dublin Agreement could improve the situation in the Community overnight if only our governments were prepared to act on it. It is they who are to blame for the fact that nothing has been done in this respect over the last few years. It is their bureaucratic activities which are to blame for the fact that too many terrorists are still at large today and endangering the safety of our people. That is why we have tabled this urgent motion for a resolution.

An additional motion for a resolution has been tabled by a number of Members including Mr Bersani, who represents the city of Bologna in this House.

Bologna, you will recall, was a year ago the scene of one of the most senseless and abominable of all terrorists crimes. Anyone who has seen the shocking pictures which are now on show in our building will welcome this additional motion, in which this House is asked to associate itself with the great memorial ceremony being organized on 2 August.

President. — I call the Socialist Group.

Mr Van Minnen. — (NL) Listening to Mr Habsburg, I get the impression that we are really still talking in the terms of the 19th century. Of course it must be said that, for the Socialist Group and for a small country like mine, combating terrorism — and terrorism is by definition an international phenomenon — is something we are all concerned about. So much so that there should be no need to keep repeating the point. What we cannot accept, though, is that we should fight terrorism with new and specially created methods which are themselves terrorist methods. Terrorism is undoubtedly a great evil, but democracy is a much greater virtue, and the fight against terrorism should be based first and foremost on protecting our democratic standards. The primary concern of all anti-terrorism methods must be the maintenance of the rule of law.

The fact is that the convention referred to in the motion for a resolution tabled by Mr Habsburg and others and the Dublin Agreement mentioned in the same document threaten to damage this basis, undermine the rule of law and the right of political asylum and make it possible to name suspects without due process. Instead of strengthening the rule of law, there is danger that these documents would undermine the

legal process. A State which unreservedly claims the right to say that it is firmly based on the rule of law has no need of the kind of manoeuvring that Mr Habsburg is engaged in.

A State of that kind would be enough to send shivers down the spine. What are we to understand by the offhand extradition of terrorists — or rather, of persons suspected of being terrorists? I could very well take it to mean terrorists from a certain period in the past who are still going around scot-free today. But that is a period which Mr Habsburg knows better than I do, and I am sure he did not have that period in mind when he tabled this motion for a resolution. What his resolution is trying to do is to anticipate developments the Community should steer clear of. And if certain governments very understandably and very rightly have doubts as regards the ratification procedure laid down by the Council of Europe — where this kind of thing belongs — we should not try to use the European Community to steer a devious course around the rock of conscience. To sum up, Madam President, Mr Habsburg's motion for a resolution is unsound in its methods and morally unacceptable.

President. — I call the European Democratic Group.

Lady Elles. — Madam President, I was not really quite sure what Mr Van Minnen's argument was. Did he mean that the rule of law was actually a rule by which one could do what one liked? Or does he accept that people living in a democracy and in a land of freedom actually have to respect the law, including the criminal law, which forbids them to kill people and terrorize innocent victims and cause outrages? I think it needs a little more explanation. I would remind Mr Van Minnen that an analysis of the causes of terrorism does not actually remove the terrorism itself, nor does it contribute to stopping terrorism, as we know only too well. You can go on analysing the causes of crime. It has been analysed since the time of Cain and Abel, but it still continues — fratricide, genocide, murder and suicide. Analysis alone is not sufficient.

I would also like to add, Madam President, that we have seen in the last few years that national States, and the Member States of the Community in particular, are no longer able to handle the problems of terrorism which cross our frontiers. We are peace-loving nations which believe in maintaining the rule of law, and yet we are faced with an increasing number of terrorist activities both within our own States and across our frontiers. I think there are therefore at least five measures which the Community should see are undertaken.

First of all I think that the Community should recognize the valuable work done by the Council of Europe, and this can be said in this Chamber — and

Elles

no more suitable place to say it. The European Convention on the Suppression of Terrorism would be an admirable convention (a) if every Member State had ratified it, which has not happened, and (b) if some of the Member States which have ratified it did not have such reservations as to make their ratification almost meaningless. This is why the Community itself is urging the Member States to ratify the Dublin Agreement — the second of the five measures to which I refer. Mr Van Minnen, who seems to be our 'terrorist lawyer', if I may call him that, knows perfectly well that all the Member States except one have signed the Dublin Agreement, but it needs all the Member States to ratify it in order for it to come into effect. So we only need one more Member State to complete its ratification and that agreement will come into force and possibly contribute to coping with the problem of terrorism.

A third measure, Madam President, that is needed is much stricter control of the traffic in illegal arms coming into the Community. Many people in this Assembly concern themselves with the sale of arms to countries far away from Europe, but I wish they would turn their minds to the illegal trafficking that goes across frontiers within the Community and to arms coming into the Community from outside.

Fourthly, Madam President, I would remind Members of this House that today a resolution was passed saying that the international protection of human rights should be part of political cooperation. Now for those who are concerned with political cooperation, we did ask in September 1979 that the Foreign Ministers meeting in political cooperation should give a report to this House on the progress being made in the field of combating terrorism, in particular the formation of a European legal order. But this has not yet happened and we have not had the report.

Fifthly, in relation to human rights, it is worth recalling a judgment handed down in the Canadian courts in 1979 that acts of terrorism are crimes of *lèse humanité* constituting an attack on human rights and fundamental freedoms. Those in this Parliament who are concerned with human rights should therefore take every measure to stop the kind of terrorism that is going on in our countries.

President. — I call the Communist and Allies Group.

Mr D'Angelosante. — (IT) Madam President, ladies and gentlemen, on behalf of the Italian members of the Communist and Allies Group I should like to confirm the position we have already adopted, and give our approval to the substance of the document which we have before us at present. Our group supports the ratification of the two agreements, that is the Council of Europe Convention on the Suppression of Terrorism and the Dublin Agreement, called for in this

document, under which a signatory State undertakes to hand over to any other signatory State those suspected of crimes of terrorism committed in that State or, if not prepared to hand the suspects over, to put them on trial itself.

This is the heart of the problem, Mr Van Minnen, and the one we should be discussing. This is what the 'European legal area' is about, and it cannot be regarded — at least I cannot see it — as conflicting with the principles we have now, namely that a person cannot be extradited for political crimes.

On this question I will restrict myself to the observation that political motives — which, from the point of view of criminal law, render political the criminal aspects of many terrorist acts and of which we see daily examples both in my own country and elsewhere (Spain for example) — are as inconsistent and as meaningless as they are out of proportion to the appalling seriousness of the crimes themselves, and cannot be invoked in order to grant virtual immunity to the culprits.

Evidently we do not regard this argument as untenable, provided that the concept of terrorism is quite clearly defined from the outset. That means that the concept itself must not be extended to include the lawful struggle for national liberation of oppressed peoples. It is just as essential, too, that in the fight against terrorism the guarantees of open justice are respected, that there are no special penalties for terrorist crimes, and that sentences for such crimes should not be excessively humiliating or rigorous.

In the fight against terrorism, ladies and gentlemen, the behaviour of the State must, as we have always wished it in my own country, be firm and decisive. So-called humanitarian considerations always have a price which is paid sooner or later. At the same time, however, the State's behaviour must be civilized, worthy of our legal civilization and of our civilization *tout court*.

We cannot condone massacres on the simple grounds that terrorism must be stopped; we cannot condone bloodthirsty dictatorships simply because they are firm with terrorists; we must fight terrorism by using our civilization and we must at the same time show that we are able to rehabilitate those who are guilty of such crimes.

These are the reasons why our group is in favour of the document we have before us, and why we shall support it with our vote. We also support and shall vote for Amendment No 1, the proposal that this Assembly should be represented at the demonstrations which will take place at the end of this month as a reminder of the shameful bombing which took place in Bologna, since in this way we believe that this Assembly will be associated with a democratic, popular

D'Angelosante

and massive manifestation of the fight against terrorism.

President. — I call Mr Kappos.

Mr Kappos. — (*GR*) Madam President, the position of the Communist parties, including the Communist Party of Greece, on terrorism and acts of violence is well known. It is, however, our firm conviction that terrorism cannot be tackled with measures which restrict civil rights and liberties, as is proposed in the motion. This is because terrorism is organized primarily by imperialist circles, secret services and reactionary and fascist organizations linked to State organizations, with a view to undermining the popular movement for progress and the working class struggle.

The recent revelations about the P2 organization in Italy are symptomatic. In Greece as well, those responsible for the genuine acts of terrorism remain at liberty. We say in Greece that they remain unknown precisely because they are known to the security services.

Secondly, the proposals contained in the motion will essentially strengthen State terrorism and will make political activity a crime. This is precisely what the relevant law approved in Greece — and which is similar to the one in Germany — does. It makes political activity a crime and makes it possible for innocent persons to be arrested for next to nothing, given heavy sentences, held in bad conditions and deprived of the right to release after serving two thirds of their sentence.

There are at present four detainees in Greece who were imprisoned for terrorism and who have been on hunger strike for more than 40 days simply because these rights are being denied to them.

Thirdly, as became apparent from the mention of the Palestinians and the Northern Irish patriots in the presentation, this motion fits in with President Reagan's call for a battle against terrorism with a view to weakening the national liberation movement. As a result, Madam President, we are opposed to the motion for a resolution, and we feel that, if terrorism is genuinely to be tackled, the struggle for the democratization of the machinery of state must be strengthened, a stop must be put to the activities of foreign secret services in the Member States, and the democratic rights of the people must be extended.

President. — I call Mr Fotilas.

Mr Fotilas. — (*GR*) Madam President, I must disagree strongly with Lady Elles' view that an analysis is of absolutely no help in tackling terrorism. Analysis is what will show us the motives for terrorism. Analysis is

what will show us the approach to adopt in tackling it. It is analysis which tells us that those who were once called terrorists have now become what those who tabled the motion would call pillars of security and peace.

Madam President, I would remind both Mr Habsburg and Lady Elles, and all those who share their views, that there was a time when the stubborn and defiant denial of the Jewish people's right to a homeland forced the Jews to blow up British buildings in Palestine, so that they became known as terrorists. Today the same call comes from the Palestinian people, and their rights too are being stubbornly and defiantly denied. It is therefore only natural that the Palestinians will fight with every means at their disposal for a homeland. In the same way, the Kurds have a right to a homeland and to a national and political identity; in the same way the Armenians have a right to survive; in the same way the people of El Salvador have a right to live in freedom and to enjoy the benefits of modern democracy. If, therefore, these rights are stubbornly and defiantly denied by the forces of organized political power, this is the major factor in acerbating terrorism, this is what feeds the fires of terrorism, and if we refuse to make this analysis, if we refuse to get to the bottom of the motives, we shall never be able to tackle the real cause of terrorism or terrorism itself.

If I were to ask those who support this motion whether they think we should recognize those peoples who are fighting to establish a political identity or to maintain a national identity, they would say no. In that case, Madam President, this motion is hypocritical and should be rejected by every genuine democrat.

President. — I call Mr Fuchs.

Mr Fuchs. — (*FR*) Madam President, I should like to speak as a French Socialist, and to be even more specific, as a person who entered politics at the time of the war in Algeria, that is to say at a time when a number of events were taking place which were considered by some to be acts of terrorism and by others as the actions of freedom fighters.

I have personal knowledge of the horrific shape that terrorism may assume. But I am also personally aware of just how difficult it is at times to draw the dividing line between reprehensible acts of terrorism and acts which are politically motivated. France has a long and historical tradition of offering political asylum, and the French Socialists have always been on their guard to ensure that the various texts being drawn up or awaiting ratification at European level — which quite rightly strive towards engaging a political and necessary battle for our democracies against terrorism — contain all the back-ups we think they should have so that the superiority of the democratic system may quite clearly emerge both with regard and in contrast

Fuchs

to terrorist tactics. I feel that the solution proposed in Mr von Habsburg's resolution — that of taking these draft conventions as our basis — cannot, as things stand today, provide sufficient guarantees. I shall therefore vote against this resolution.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (FR) Madam President, it is not the Commission's place to speak on matters concerning political cooperation, but I must say that I have listened with special attention to this debate and to the speeches made, which although seemingly conflicting, are in my view inspired by the same ideal. I feel that I can share the horror and indignation expressed here about violent acts which are no respecters either of persons or of powers.

President. — The debate is closed.

(Parliament adopted the resolution)

12. Changes in the Staff Regulations

President. — The next item is the motion for a resolution (Doc. 1-384/81), tabled by Mr Lega on behalf of the Group of the European People's Party (CD Group), on major changes in the Staff Regulations.

I call Mr Lega.

Mr Lega. — (IT) Madam President, I would like first and foremost to clarify one point. I have transformed this, which was originally an oral question on behalf of the Committee on Budgets, into a motion for a resolution for urgent debate tabled on behalf of the Group of the European People's Party. My text therefore clearly commits all the other political groups which, in the Committee on Budgets, came out in favour of a similar text for the oral question. This clarification seemed important to me, because this procedure had to be adopted in view of the fact that the decisions which the Council is now taking make the question extremely urgent. I shall try to explain briefly the content of this motion and the considerations which led to the request for urgent procedure.

By a decision of 20 May, confirmed by a subsequent decision of 23 June, the Council formally asked the Commission to draw up a new method of calculating increases in the salaries of European officials, at the same time asking it to make certain changes in the Staff Regulations necessitated by the new element introduced into the method of calculating salary increases — the so-called 'crisis levy'. This, which may

seem to be a technical fact of absolutely no importance, on the contrary conceals a long-standing dispute of political significance, which the staff themselves deplored at length in the period between the 20 May decision and the 23 June decision. This period was marked, as you all know, by a series of strikes and demonstrations — sometimes bitter and violent — on the part of the staff. It was also marked by an invitation extended by Parliament, through its President, to the Council, to involve the European Parliament in the decisions which the Council was taking on the salary structure of the Community staff.

I was saying that this aspect of the matter has political importance, and its main political importance is undoubtedly the fact that we are once more presented with a unilateral act on the part of the Council, unfortunately — in my view — supported by the Commission, although up to now I do not have proof of this. The Commission continues to fail to take into account the need for an overall staff policy which would provide a modicum of certainty in the salary system, the social security system, the recruitment arrangements and the pension arrangements of the Community staff.

All this makes the position of the European official even more precarious, although he is required to play an important role in the Community. There have been many rumours about this, which I have heard and which I must repeat. There has been talk of an attempt by the Commission and the Council to alter the nature of the European civil service in such a way as to allow access to it to a large number of national officials, who would more effectively defend the interests of the Member States on individual policies, thereby doing away with that Community autonomy which was previously guaranteed by the absolute independence of the Community officials themselves.

I therefore thought it important, particularly in this matter, to make the voice of the European Parliament heard immediately. We must express to the Council our grave concern at the decisions it is taking, and at the same time tell the Commission that we expect that solidarity which Mr O'Kennedy promised us verbally at precisely the time when Parliament approved — at the Commission's request, and to speed up the necessary process of recruitment of Greek officials — a section of a Commission proposal, limiting this proposal, by previous agreement with the Commission, to the recruitment, dismissal and retirement of Greek officials alone. On that occasion we agreed with the Commission that on any other policy involving an amendment of the Staff Regulations there would be prior consultation between the Commission and the European Parliament.

We therefore ask the Commission — in this matter over which the cooperation which we had asked for from the Commission seems to have been overlooked — for the necessary support in this dispute with

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the Council — a dispute which directly affects Parliaments, since we are not concerned here with amendments of the Staff Regulations which have become inevitable because of administrative decisions by the Council, and there is still a possibility of discussing the substance of these decisions, given that we have not yet been presented with Council acts which prejudge a factual and legal situation.

I shall not expand on this, since the late hour calls for brevity. We have tabled this urgent motion for a resolution, by agreement with the Committee on Budgets, for the following reasons: to affirm the political idea that the Council and the Commission must understand that they must involve Parliament in this dispute on staff matters; to do away once and for all with the piecemeal approach to staff problems, which called from time to time for some sacrifice from one section or another, and to give full legitimacy to an overall staff policy. I think that the Commission, particularly by making one Commissioner solely responsible for staff problems — unlike the previous Commission, in which such questions were basically the responsibility of a Commissioner who also had other functions — wanted to stress the need to develop a staff policy at long last. We expect as a result of this resolution to obtain the support of the Commission in this dispute with the Council. It is necessary at long last to develop an overall staff policy and to avoid humiliating further those in the European Community — such as the officials — who are still working independently for the creation of a united Europe.

President. — I call Mr Baillot.

Mr Baillot. — (FR) Madam President, I should like to add a few words of support to what Mr Lega just said in his speech. It is obvious that the Council Decision of 20 May has very serious consequences, as he himself pointed out, because it means a very serious attack on the European Staff Regulations and it bases its arguments on pretexts which are not valid, since it is said that its purpose is to make savings and to impose a sacrifice on staff.

Like you all, I have before me the draft preliminary budget for 1982, and I note that in a budget amounting to almost twenty thousand million EUA in payment appropriations, the staff budget represents less than 1.5%. Since this is the case, I think that a modicum of balance ought to be brought into this affair. Thus, the Council and Commission, should they proceed along such a path could not help but meet major obstacles — that much is clear. This is always the case when the benefits which staff have gained are called into question, especially when the staff are under the impression — and they would seem to have good cause to be — that in fact these measures are political in nature and that there will be a breakdown in the relationship which formerly existed

between European civil servants and national civil servants.

Finally — and I should like to repeat this even though Mr Lega said it because I feel that it is very important — the most serious aspect for Parliament is that it was not in any way involved in the decisions which were taken. We are one of the two pillars of the budgetary authority and, as a result, we have a very direct concern in staff matters. It is quite out of the question that we should not be involved in such discussions from the very outset.

In conclusion, I think it ought to be said that these problems are extremely serious — as we have stated — and that they concern the functioning of the institutions, through the staff as I just mentioned. This 1.5% of the Community budget is, of course meant to cover all the staff of all the European institutions. As a result, staff difficulties affect the functioning of all the institutions. These problems must therefore be solved at all costs, and we can see no better way of doing it than through cooperation and negotiation. We touched on this subject today during the institutional debate, when we stated that the prerequisite for improving the functioning of the institutions, was precisely that there should be cooperation and continual discussion among the various institutions. The least that should be done is for cooperation and discussion to take place within the institutions with the staff concerned, who, as we are all aware, are competent and devoted to their work.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (FR) I shall leave aside for the moment one aspect of the problem raised by Mr Lega, that is to say the question of broad staff policy. The various proposals which have been drawn up are matters with which I am well acquainted. I do not think that there are any grounds for complaining about a lack of concertation, since, both with Parliament and the staff, I have had very frequent and very protracted discussions on the subject. However, I really must admit that I sometimes have the impression that, even though the Commission's aim was to strengthen Community action and lend weight to the European civil service, we have to some extent been accused of having the wrong motives but this is a matter on which, as I have already done with many of you here at various levels, I shall be quite prepared to have further discussions, although, as Mr Lega said, there is now a Commissioner responsible for staff and administration matters with whom, I believe, Parliament is on very good terms.

I now come to what is the crux of today's debate, that is the changes in the method for establishing the salaries of officials. I think that one can safely say straight away that the broad lines which emerged after

Ortoli

the Council meeting of 23 June with regard to relations with the organizations representing the staff and with regard to establishing the financial rights of officials and other servants of the Communities, are not likely to transform radically the basis of the Staff Regulations. Firstly, I should like to remind you that the Council has, by virtue of Article 65 of the Staff Regulations, a number of responsibilities to exercise, which Mr Lega is well aware of, and that the Council has exercised them on this occasion rigidly within the framework set by Article 65. When the decision in question takes account of changes in the cost of living and of the progression of national salaries, refers to the need to recruit new officials and, lastly, mentions the economic and social situation in Europe, then it is very broadly the same as what is stated in Article 65, which means that we are adhering entirely to the lines laid down by the Staff Regulations. I apologize for having to state this so bluntly to Mr Lega, but he is as conversant with Article 65 as I am, as indeed he is with the Staff Regulations. He refers to this article himself in his resolution. If this article is taken item by item, then you will see that what I am saying — which is, as you can easily see, not specifically intended to defend the Council — is quite simply an objective statement of the facts. In addition, I should like to mention that the same decision refers to a principle which is dear to you all, that of the parallel development of national and European civil servants' salaries.

Lastly I should like to point out a detail which should not be neglected, that is that on the same day — and I referred to this earlier in my speech — a conciliation committee was set up with the staff, a committee which did not exist previously and which is composed of the representatives of the staff and the Member States and the heads of personnel or the secretaries-general of the various Community institutions, one of which is obviously the European Parliament. This conciliation committee, which — I repeat — did not exist before, was set up for the very purpose of discussing problems of this type. I therefore feel — and I must stress the fact that this is not based on my personal opinion or judgment but on the texts of the Staff Regulations themselves — that all this caters perfectly well for a whole range of interests which we, the Commission, and you, the Parliament, are entrusted with defending.

Taking the above as read, a second problem emerges, which to a certain extent must be dissociated from the first, not as regards the interests of the staff but as regards the application of the regulations which govern salaries, and here I am referring to the idea of a levy on salaries.

These two points should be dissociated because Article 65 of the Staff Regulations actually states that policy on salaries is part of Community economic and social policy. I feel sure that on this subject we are all well aware that we have problems to tackle and difficulties — in particular unemployment, which has

already been mentioned here — which we must face together. The challenges — to use that unfortunate word yet again — which we have to face are huge, as we all know very well. Therefore the method has not been changed, but it has simply been decided to apply this notion of weighting salaries on the basis of social and economic policy specifically by proposing a levy. I say 'by proposing' because this brings us to a point which concerns Parliament much more directly because a decision of this nature can only be taken under the Staff Regulations and by incorporating into them an *ad hoc* article. I am sure that I do not have to tell the Members of this House that, under Article 24 of the Merger Treaty, the staff Regulations provide that Parliament must be consulted should this case arise.

As a result, and to sum up, we now have a method which is very close to the one applied formerly and which would seem to use the principles enshrined in Article 65. We also now have a conciliation procedure which did not exist previously but in which the staff of Parliament is also involved, both directly as members of staff and via the institution itself. Lastly, a levy has been imposed in accordance with the Staff Regulations and by adding a provision to them to the effect that a decision can only be finally taken when Parliament has been consulted. I think that by putting all these various points to you, points which seem to trouble Mr Baillet, but in this case the facts — which are notoriously difficult to get away from — speak for me, I have shown you that in my view the Council in its decision has not attacked the very foundations of the rights and interests of Community staff, those rights and interests which, I must say, we are aware of and which we wish for our part to defend.

(Parliament adopted the resolution)

President. — Before we go on to the next motion, I should like to inform the House in connection with this resolution by Mr Lega that on several occasions, and again quite recently, I have written to the Council with the request that Parliament be involved in all discussions, at whatever level, regarding the conditions of Community staff.

13. Food aid to Morocco

President. — The next item is the motion for a resolution (Doc. 1-369/81 rev.), tabled by Mr Loo and others on behalf of the Socialist Group, on food aid for the least favoured sections of the Moroccan population.

I call Mr Saby.

Mr Saby. — (*FR*) Madame President, ladies and gentlemen, the text of the resolution brings out the urgent need for us to provide this aid. Indeed, particularly serious climatic conditions — whether an accentuated drought or a hard winter — have placed the people of this area in an absolutely impossible situation. It is always difficult — and also easy, I would say — to over-dramatize things, but here there is no exaggeration at all. It is in fact a problem of survival, since we note that since the beginning of the year there has been a shortage of cereals, meat and milk and that these people, particularly the rural population do not even have the minimum amount of protein for nourishment. That is why I ardently hope that the House will adopt this resolution.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Habsburg. — (*DE*) Madam President, I shall be very brief. The Group of the European People's Party wholeheartedly supports Mr Loo's motion for a resolution. He has rightly pointed out the disastrous climatic conditions obtaining in a country which has maintained contacts with Europe over a long period, which has a lot in common with us and which has a right to expect friendship and sympathy from us. We are therefore pleased that this motion for a resolution has been tabled, and we shall do all we can to give it our support.

President. — I call the Communist and Allies Group.

Mrs Poirier. — (*FR*) Madam President, the Communist and Allied Members will also vote in favour of this motion for a resolution. Indeed, it is obvious that food aid for the least favoured sections of the Moroccan population is a positive measure. We must therefore be in a position to provide aid, but also to provide cereals and proteins to those who need them — in this case the Moroccan people, even if in Morocco the food shortage is being aggravated by excessive expenditure on war.

But the need for this aid calls for two comments, and I shall be very brief. First, we who have great agricultural potential must do everything we can to develop it further, and I do not think that the agricultural policy of decline advocated by the Commission's proposals in connection with the 30 May mandate will make it possible to tackle and solve this problem on the basis of people's need. Secondly, we cannot set our consciences at rest by dealing on an *ad hoc* basis with the problem of malnutrition which, in Morocco as elsewhere, is not confined to times of natural catastrophe. Even drought — since that is the current problem — can be effectively combated. The real question in our view, is whether material and human resources can be

used to preserve life, and what role the Community can play to this end.

President. — I call the Liberal and Democratic Group.

Mr Beyer de Ryke. — (*FR*) Madam President, as a general rule I would admit that the proposals of the Socialist Group do not accord either with my temperament or with my political leanings. I am therefore all the more free this evening to defend, on behalf of my group and in my own name, the motion for a resolution before us calling for the granting of food aid for the least favoured sections of the Moroccan population.

I have been to Morocco a number of times, particularly to Casablanca, and the tragic bloodshed that occurred in that large port did not surprise me very much. I remember expressing fears of such an event in a recent article. I know the official version and I do not dispute it — that elements with an interest in creating disorder appeared on the scene, and inspired, coordinated and directed the riots can no doubt be proved. But that does not explain everything, and anyone who — even for a few hours — plunges into the alleyways of the poorer quarters of Casablanca and allows himself to be swept along by the human tide and drawn into the crowd, is made physically aware of the population explosion — one and a half million young people under the age of 15!

Morocco is proving incapable of bringing this population explosion under control. People are leaving the countryside and filling the shanty towns. These are the breeding-grounds of poverty, and as we know, poverty gives rise to social instability. It would certainly be naive to think that food aid will cure all the ills of Moroccan society, but at least it is a necessary remedy to which priority must be given, if only to lower the social temperature and slake the people's thirst for more justice and a higher standard of living. If my information is correctly informed the Moroccan Government and the King himself are considering decentralization and the creation of urban units of about 50 000 inhabitants each. This would be a wise attempt at decongestion, in my view.

To sum up, population explosions unemployment and poverty are the causes of all destabilization. Food aid is a weapon against poverty, and the Liberal and Democratic Group therefore supports both the form and the content of their resolution.

President. — I call Mr Fotilas.

Mr Fotilas. — (*GR*) From the point of view of the Socialists, this motion for a resolution is undoubtedly a sign of consistency of principles and attitudes. However, from the point of view of the main

Fotilas

supporters of the motion — who are to be found outside the ranks of the Socialist Group — as well as of Parliament as a whole, I am afraid it is a sign of inconsistency. It is not so long ago that a very similar motion on aid to the people of El Salvador failed to obtain a majority in this House, and among those who played a major role in this failure were — if I remember rightly — Mr Habsburg and certain others. Not, of course, the Communists, who on that occasion were in favour of the motion. Since I do not wish to take part in yet another example of hypocrisy and inconsistency, I should like to state that I welcome the sending of aid to the people of Morocco, who have been hard struck by misfortune and natural disasters — but most of all by the political system, which is the worst natural disaster they have to face. Since, therefore, I wish to make my support apparent at this stage, I must state that I shall be abstaining, but the point of my abstention is that I condemn the rejection of the similar motion on El Salvador.

President. — I call the Commission.

Mr Pisani, Member of the Commission. — (FR) The food situation in Morocco is indeed very worrying. It is inadequate planning, no doubt partly to blame but it is above all the result of freak weather conditions, which have been very bad this year.

In order to meet this challenge, the European Economic Community must assist Morocco as it has assisted many other countries. In the next few days the Commission will present a proposal to the Council for the allocation of 7 500 tonnes of cereal. This quantity of cereal represents 10% of the general reserve available to the Community for dealing with situations of this kind. The value of this contribution can be estimated at 1 800 000 ECU at Community prices. This aid will be in addition to the aid in dairy products allocated to Morocco as food aid, for 1981 and consisting of 1 200 tonnes of skimmed milk powder and 200 tonnes of butteroil. This aid represents 3 million ECU at internal Community prices.

But the aid which the Community will give or will have given to Morocco on this occasion will not be confined to consignments of products. In implementing the financial protocols the Commission has already decided to finance projects designed to develop the food producing capacity of Morocco. It intends to continue on these lines. Thus the motion for a resolution before Parliament, which is very timely, fully corresponds to the effort which the Commission suggested the Community should make and to the decisions which it has itself taken.

But one problem has been raised — that of the political situation, not that of the food aid itself. Indeed, it is extremely interesting to see how objectively identical situations have led to contradictory votes from

different quarters in Parliament, when the people concerned were in an entirely comparable situation of destitution and poverty. We must all — I mean Council, Commission and Parliament — make a joint effort to define more clearly the purpose of this food aid which, transcending governments and political vicissitudes, must go to meet human needs.

President. — I call Mr Harris.

Mr Harris. — Madam President, my point of order is that, as you have probably gathered, there is some feeling among my colleagues about the whole procedure under which this debate has been staged. This debate has been called by the leader of the Socialist Group as a matter of urgency, and yet on this very important matter — and this motion has my full backing — how many Socialist are here in this Chamber tonight to back our good friend, Mr von Habsburg, and others?

(Applause)

I must tell you, Madam President, that some of my colleagues — you may have sensed this — had it in mind to call a quorum to expose the hypocrisy, the absolute hypocrisy, of some of our Socialist colleagues who come here at the beginning of the day, or yesterday, and put these matters on the agenda and are not here to vote and to speak in this debate. For my part, I give my wholehearted backing to this motion tonight, but I do so under protest, for it is pointless to have these debates if people who put them on the agenda are not here to speak and to vote.

(Applause)

President. — I call Mr von der Vring.

Mr von der Vring. — (DE) Madam President, could I ask you to tell the honourable Member who has just spoken that he ought to put his own house in order and think of the people who were also absent when these motions came up this evening. Those of us who are here are happy to be here and we should make this clear to those who are not here tonight.

President. — I call Mr Fotilas.

Mr Fotilas. — (GR) Madam President, I have the impression that the speech by the Conservative Member was out of order. Criticism of the parliamentary ethics of the Members can be expressed by no one other than the President. If there is any question of criticizing the parliamentary ethics of the Socialist Members, no one else has that right, and least of all, Madam President, when those who are being criticized are absent.

Fotilas

(The President interrupted the speaker)

It was out of order, and in my view you should have stopped him.

President. — I call Mr Israel.

Mr Israel. — *(FR)* Madam President, I think the best idea would be to ask for a roll-call vote. It is senseless to call a quorum.

President. — I call Mr Fotilas.

Mr Fotilas. — *(GR)* Madam President, since Mr Israel is proposing a vote by roll call, I have the honour to call a quorum.

President. — You need ten Members to ask for a quorum to be established and you are on your own.

(Parliament adopted the resolution)

14. Agenda for next sitting

President. — The next sitting will take place at 9 a.m. tomorrow, Friday, 10 July 1981, with the following agenda:

- procedure without report
- Stewart-Clark report on EEC-Japan trade relations
- Früh report on monetary compensatory amounts
- Papaefstratiou report on less-favoured agricultural regions
- Quin report on inshore fishing
- Plumb report on the modernization of farms in Ireland
- Bocklet report on the hop sector
- Commission proposal on fresh poultrymeat
- Commission proposals on fishing arrangements between the EEC and Sweden
- continuation of debate on De Gucht report on legal expenses insurance
- Malangré report on the British nationality bill
- continuation of the debate on the Commission statement on the preliminary draft budget of the Communities for 1982

- Battersby report on vessels registered in the Faroe Islands
- Tuckmann report on pre-accession aid for Portugal
- von Wogau report on the 1981 programme for the achievement of the Customs Union¹
- Cohen report on the United Nations conference on the least developed countries
- report by Mr Kellett-Bowman on budgetary control aspects of the European schools.

I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — Madam President, unhappily I have had to ask Mr Tuckman to go home because he is ill tonight, and he asked me to put forward the proposal I am going to make now. I think it will be a little difficult to get the House to accept it, but the Tuckman report needs very urgently to be passed before the summer recess of this House because it concerns monies which need to be paid to Portugal, and I gather from Mr Tuckman that there is no objection from his colleagues in other groups if this report is taken without debate. If it is going to be taken without debate, Madam, could it be put further up the order-paper so that at least the House has a chance of voting on it? I would ask the House, through you, if it could be put to the vote perhaps after Sir John Stewart-Clark's one-hour debate on Japan in order that it may go through, for it is needed by the Commission and needed by the Council. That is all. Mr Tuckman was very anxious that it should not be dropped or held over until September, because the monies are needed before September.

President. — The agenda may be amended on a proposal by the President, Sir James. However, there are very few people here tonight. I shall therefore ask tomorrow's President to propose on my behalf the amendment to the agenda which you have suggested. I should prefer it if the vote on this were taken tomorrow morning.

I call Mr von der Vring.

Mr von der Vring. — *(DE)* I share your view, Madam President, although I should like to ask you, with a view to getting the agenda straight, to put to the vote all matters such as referral to committee right away at nine o'clock tomorrow morning at the beginning of the sitting.

¹ Oral questions Docs. 1-304/81 and 1-305/81 will be included in the debate.

President. — Of course, Mr von der Vring. In any case, the first item on the agenda will be the request which has just been made by Sir James. The proposal will be voted on tomorrow. I think it would be better if it were deferred until tomorrow morning, Sir James.

The sitting is closed.

(The sitting was closed at 11.35 p.m.)

SITTING OF FRIDAY, 10 JULY 1981

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IN THE CHAIR: MR DANKERT

Vice-President

(The sitting was opened at 9 a.m.)¹

1. *Agenda*

President. — I call Mr Sieglerschmidt.

Mr Sieglerschmidt. — *(DE)* Mr President, yesterday, Mr De Gucht and Mr Malangré, both rapporteurs, asked that the resumption of the debate on their reports be held over, since for urgent reasons they both had to leave Strasbourg.

The committee chairman, Mr Ferri, has also had to leave Strasbourg with the request that the House today be given an opportunity to take a decision on the matter.

In view of our heavily-loaded agenda, I am sure it would not be difficult to hold over both of these reports until September.

(Parliament agreed to defer the De Gucht report)

President. — I have also received a request to delete the Malangré report from the agenda and to enter it on the agenda for the September part-session.

Are there any objections?

I call Mr Adam.

Mr Adam. — Mr President, I cannot understand how it is that an item which originally appeared third on the list on Monday can be taken at this time on a Friday. I really do think that when we fix the agenda at the beginning of the week we ought to be able to keep to it much more closely than we are doing.

President. — I call Mr Seal.

Mr Seal. — I appreciate, Mr President, that there is a difficulty in fitting in everything on the agenda, but this report is very important, and by the time it comes up at the next part-session for discussion, it will have lost all its possible impact. It is essential — and I speak as one of the people who signed the original motion — that we exert the maximum impact upon the British Government in order to try to force them to do something about this racist measure. Certainly leaving it is not going to help our situation at all.

(Parliament approved the postponement of the Malangré report)

President. — I call Mr Provan.

Mr Provan. — I am assuming that we are now discussing today's agenda and I would therefore like to suggest, in order that we may expedite our business today, that we take the three fishing reports on the order paper in a joint debate and possibly take them together with Miss Quin's report, the report on Sweden and also Mr Battersby's report. If that would be agreeable I think it would be acceptable to the House.

¹ See Minutes for: Minutes — Documents — Petitions — Appropriations — Rule 49 of the Rules of Procedure — ACP-EEC Consultative Assembly — Membership of Parliament — Procedure without report — Referrals.

President. — Mr Provan, I am sorry but I have to put the urgent matters first.

(Parliament approved the request except in the case of the Battersby report for which urgent debate had not been requested)

I call Sir James Scott-Hopkins.

Sir James Scott-Hopkins. — I made last night, Mr President, the suggestion that the Tuckmann report should be taken without debate at an earlier stage during our proceedings this morning purely because it is urgent that it be passed before the summer recess as it involves monies being paid to that particular government and country. And it looks from the order paper, even with the ones that we have already removed from it, as if it probably will not be reached. So my suggestion to the chair last night which, quite rightly, was referred to this morning, was that it should be put higher on the agenda after the urgencies.

President. — As Mr Markozanis withdraws as a speaker on that report I think we could expedite matters.

(Parliament decided to enter this report after the urgent debates)

I call Mr Lange.

Mr Lange, Chairman of the Committee on Budgets. — *(DE)* Mr President, ladies and gentlemen, I can but agree with the observations just made by Sir James Scott-Hopkins. I have, however, a further request on behalf of the Committee on Budgets. Yesterday we adjourned the debate on the drafts submitted by the Commission for the 1981 amending budget and the 1982 General Budget. This debate must at all costs be concluded today. I should therefore be grateful if you, Mr President, by your conduct of proceedings, could help to ensure that the preceding items are dealt with as rapidly as possible and that speakers avoid repeating one another. In this way much time could be saved and we could do our job properly. If, on the other hand, the budget debate were not concluded today, that would not be exactly to the Parliament's advantage and might well cause even greater difficulties for the parliamentary delegation in its negotiations with the Council.

President. — You are perfectly right, and I shall do my best.

I call Mr Glinne.

Mr Glinne. — *(FR)* Mr President, yesterday the Assembly considered the setting up of a committee of inquiry following an initiative take pursuant to Rule 95 of the Rules of Procedure. It was agreed that

the deadline for submitting nominations should be slightly put back. In the meantime the group chairmen have met and thoroughly examined the problems raised.

In particular, Rule 95 of the Rules of Procedure refers to the second sentence of Rule 92 (1), 2nd sentence, of the Rules of Procedure:

'Nominations shall be addressed to the Bureau of Parliament, which shall place before Parliament proposals designed to ensure fair representation of Member States and of political views'.

In these circumstances it is inevitable that we defer until September the establishment of this committee of inquiry and I suggest that, in the interim, the political groups should communicate to the Bureau the names of candidates appropriately balanced for this committee of inquiry.

President. — You are right. We shall have to wait until after the Bureau meeting following the submission of candidacies to know exactly when this committee will be set up.

I call Mr Kellett-Bowman.

Mr Kellett-Bowman. — Mr President, the tail-end charlie on this morning's agenda is a report in my name, No 152 on European Schools. As there are no amendments, and I do not believe anybody has asked to speak, could I propose that it be taken without debate?

(Parliament approved the request and decided to consider the item after the urgent debates)

President. — I call Mr Christopher Jackson.

Mr Jackson. — The report by Mr Cohen on the least-developed countries is the penultimate item on our agenda. It refers to a matter which will be out of date if we come to it in September, and I would like to propose to the House that, in view of its importance, we express an opinion and take it without debate.

President. — Do you have any objections, Mr Cohen?

Mr Cohen. — *(NL)* Mr President, I see that this is the only thing we can do at the moment. I think that the proposal to vote on the report without debate is a good one.

(Parliament acceded to this request, and it was decided that this item would also follow those to be dealt with by urgent procedure)

President. — I call Mr Bournias.

Mr Bournias. — (GR) Can the second report on the agenda, No 170, be discussed? The matter is of great interest for regions with problems and therefore it should be discussed in order, given that all of us have to leave together at 12 because our aeroplane is due at that time.

President. — Yes, this report will be taken since it is one of the items for urgent debate.

I call Mr Früh.

Mr Früh. — (DE) Mr President, I wish to state that the report by Mr Bocklet, Item No 173, is a report without debate. This was so decided in committee.

(Parliament acceded to this request, and it was decided that this item also would follow those to be dealt with by urgent procedure)

2. Trade relations between the EEC and Japan

President. — The next item is the report by Sir John Stewart-Clark, on behalf of the Committee on External Economic Relations, on trade relations between the EEC and Japan (Doc 1-240/81).

I call the rapporteur.

Sir John Stewart-Clark, rapporteur. — Mr President, in 1980 the Community's trade deficit with Japan increased to 7.9 billion units of account, an increase of 50% over 1979. In the first four months of 1981, the deficit is up by a further 56%. This, coming in a period of world recession and mounting unemployment, is totally unacceptable — unacceptable in particular because Japan's exports to the Community are exclusively in manufactured goods and concentrated on sensitive and strategic areas such as automobiles, television tubes, numerically controlled machine-tools and other high-technological products.

Despite a huge increase in investments in these sectors, Europe cannot now, and may not in the future, be able to compete fully with the Japanese. In automobiles, Japan now produces 7 million cars a year with a home market of only 2.8 million. Compare this with the USA, which produces 6.4 million cars but has a home market of 9 million. Or again, look at colour-television picture tubes, where Japan now produces 50% of world requirements but only uses one-fifth herself. She is maximizing her competitiveness by automation and economies of scale, and one knows that whenever production doubles in auto manufacture, costs fall by

about 15%. Not only, therefore, are vital and strategic industries threatened within the Community, but since these products contain thousands of parts made by sub-contracting firms, the jobs provided by these firms are also at risk. It is also the case that, as market shares fall, research and development effort has to be reduced, with eventual adverse effects on the industries concerned.

Mr President, we just cannot rely on imported high technology for our future needs. To do so would be to relegate our Community to a state of permanent strategic weakness. Japan must therefore moderate her exports in these strategic sectors, and it is up to the Council of Ministers to see that the Commission is given a clear mandate to tackle this problem. Lord Carrington, in his speech on Wednesday, talked of the Community having to retain open trade, but also of the need to tackle realistically and firmly the trading problems facing us. Let us see evidence of that resolve! The Commission must be given backing to insist on the establishment of specific quantitative agreements on imports and to make it known to the Japanese that it has the ultimate power to impose controls on imports if agreements cannot be reached and adhered to. And make no mistake; for all their courtesy, the Japanese respect strength of purpose, and once agreements are made, they will abide by them.

Let me, however, say this to the Japanese: if nothing is done by the Community, if voluntary agreements cannot be reached, if they continue to be able to play one country off against another, if unemployment in vital industries continues to rise, then nationalism will surely assert itself and mandatory protectionist measures will follow in its wake. This cannot be in the interests of anyone, let alone the Japanese. Mr Davignon's words to the Japanese delegation two days ago were appropriate, when he said that we are concentrating on the things that divide us, we are having to defend our immediate interests rather than planning our futures together.

We must therefore find solutions — firstly, by limiting imports from Japan, and secondly, by the reciprocal encouragement of investment in both the EEC and Japan. In this we must welcome the Japanese onto our soil to set up joint ventures or fully-owned companies; but the same facilities must be offered to us by Japan without fuss and without complication.

No investment facilities should be granted by either side without two fundamental conditions: firstly, companies investing must not be allowed to set up just assembly plants; components must be sourced locally as a pre-condition of investment. Secondly, technology know-how and research and development facilities must be set up in those countries accepting investment projects. The Americans have done this well, and consequently have become respected members of European industrial society. The same can also apply to Japan. Thirdly, we must see a further

Stewart-Clark

opening up of the Japanese market to EEC exporters. One tires of hearing the Japanese say that European businessmen must try harder, and of hearing European businessmen talking about the difficulties of language, distance and distribution channels. These are facts, but we shall get nowhere by constantly repeating these phrases. There must be a genuine will on the part of the Japanese to accept increasingly European agricultural and manufactured products. Perhaps, as a Scotsman, I may be permitted to quote but one example. It continues to be unacceptable that imports of Scotch whisky are still penalized at the highest possible rates.

Finally, Mr President, let me repeat a fervent request to the Japanese, five of whom are with us today in the gallery. Let me say this: help us to ensure that free trade can be maintained! I stress that the present trade imbalance constitutes a serious impediment to our two communities in tackling together the problems of the developing countries, world security, monetary stability and energy conservation. Let us resolve to tackle and settle our trading differences, to become true partners together overseas and to look to the opportunities beyond!

President. — I call the Socialist Group.

Mr Seal. — Mr President, this report, although it is only an own-initiative report, deals with a subject which is not only topical but most important to the Community and this Parliament. The issues which the EEC and Japan face together are, we know, of tremendous importance. We are two of the largest economic blocs in the world. We contribute together about one-third of the total world output. More than that, we account for 45% of total world trade. Therefore, any problems we have are crucial not only for the 380 million people who live in our Community but also for the rest of the world.

The rise in oil-prices, as we know, has been the cause of the problems we have all faced in trading over the last five years. Faced with a large deficit in its oil account, any nation needs to take steps to boost exports and to minimize non-oil imports. Major problems for world trade occur, however, when one important trading nation or community is much more successful in achieving this object than any other. In other words, it has been Japan's outstanding ability to generate a response to the problem of OPEC surpluses that is one of the basic causes of our current trading difficulties.

You might well and some people do argue that world consumers buy Japanese products because they are well made, delivered on time and offered at competitive prices. We know that production costs in Japan are low for a variety of reasons, which include excellent management and also the unparalleled commit-

ment of the Japanese workforce — features which companies in other countries have observed, respect and admire. However, it is also self-evident that the value of the yen has played a crucial rôle in determining the price of Japanese goods in international markets. It is not normally possible for one country to increase its share of world markets so spectacularly in so short a space of time. Normally, its exchange-rate would be expected to appreciate to a level which permitted only a relatively smooth increase in its share of international trade. So we must ask why this has not functioned in the case of Japan. I do not believe that the answer is merely luck. Clearly, it is the result of a number of very technical factors. Even the Bank of Japan has had difficulty in providing a full account of what has happened.

I would suggest that two sets of factors have been particularly important. The first is related to the outflows of capital from Japan, which have held the value of the yen lower than it otherwise would have been. The Bank of Japan, as we know on its own account, has bought foreign assets such as US Treasury bills. The second set of factors relates to the relatively small volumes of capital which have been invested in Japan from abroad. Official statistics show that the net outflow of long-term capital from Japan grew from 0.3 billion dollars in 1975 to over 12 billion dollars in 1978. It trebled every year for three consecutive years, and then remained at 12 billion dollars. It is these outflows which have contributed to depressing the value of the yen below the rate which would otherwise have been expected. This is particularly important when we also note that Japan's annual exports in that time have increased by the massive sum of 47 billion dollars, an increase of something like 86%.

We may take as one very important example the catalogue of events in the car industry over recent years. Everywhere in Europe car companies are laying off workers temporarily or permanently; many are operating at less than a full working week, and the rate of job loss is increasing. What can I as a European politician say to those who are out of work in my constituency? 'Don't worry; in the long run free trade is best for everyone; free trade is a precious thing which must be protected no matter what the cost?' My jobless constituent has a family to support; he has depended on State welfare assistance; his pride is desperately hurt because his company can no longer employ him; he cannot find another company which wants to use his skills. His view of free trade is simple: it benefits the Japanese countries, but it doesn't benefit him. As the armies of the unemployed in Europe grow and an increasing number of voters think like my out-of-work constituents, then the politicians of Europe and the politicians in this House ignore the views of their electorate at their own peril. It is my conviction that if the current trade position between the EEC and Japan does not move, and move swiftly, towards a more equitable balance, Europe either as a Community or as individual states will impose more and more severe

Seal

protectionist measures on Japanese imports. I state this, not as a threat but, like Sir John Stewart-Clark, as an objective and an inevitable fact.

The European trade unions are now calling for voluntary agreements to be reached very quickly; if this is not possible they want import controls to be imposed now on Japanese products. These are the only two possible solutions. In cars, the Japanese are twice as productive as either Germany or the USA. They are six times as productive as the United Kingdom, and yet they are continuing to invest vast quantities of money in improving car production. We cannot now or in the future compete with car production in Japan, and the two solutions put forward by the trade unions are the only possible solutions in the short term.

In the long term, I accept that more imaginative solutions must be found, and those being put forward include making it easier for the Japanese consumer to purchase European goods. Secondly, and most important of all, the exchange-rate for the yen needs to reflect the international competitiveness of Japanese products. Thirdly, an increased level of investment by Japanese companies in Europe, so that European labour can be used for the production of some of these successful products, is necessary. The proposed Nissan deal for investing in either the UK or the rest of Europe is generally welcomed, but it must be noted by the Japanese that token assembly in Europe as a method of avoiding possible quotas will not materially affect either the EEC-Japanese trade balance or the European employment problem, and so will not contribute towards a solution of this problem. It is important that investments in Europe should cover the complete production processes wherever this is possible. In other words, Japanese companies would be investing their capital and considerable skills in manufacturing operations in Europe as American companies, for example, have done in the past. The trade unions, particularly in the UK, are calling for cars which have been made with Japanese capital and know-how in Europe. They are insisting that they contain at least 80% local content, and this I would support. In doing so, I can only lament the pathetic agreement which has been reached between British Leyland and Honda.

Mr President, whilst I support this report subject to some of the amendments, I feel it needs to be much stronger if it is going to be taken seriously by the Japanese. Sir John Stewart-Clark has spoken today much more strongly than he has reflected in his report, and it is a pity that some of the sentiments put forward today were not included in his report. The Japanese have told us this week that the EEC has not only one market, and so they continue to play off individual countries with their bilateral agreements. If we look at the report, we find that paragraph 11 of the explanatory statement states: 'The Community should adopt a strong, clear policy to ensure that Japan does not in future assert ascendancy over much of our industry.'

Mr President, Japan has already done this, I would contend, but the report unfortunately does not reflect this.

The report, Mr President, we will support together with some of the amendments. It is a pity, I feel, that it was not put in stronger terms.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr van Aerssen. — (*DE*) Mr President, ladies and gentlemen, the Christian-Democratic Group is unanimous in its support for Sir John Stewart-Clark's report, mainly for the reason that it affords us an opportunity of speaking with one voice and adopting a common strategy in respect of our Japanese friends. As far as we are concerned, it is nothing short of a scandal that the Council has not yet managed to summon up enough strength to speak with one voice or adopt a common position. Instead it has given the signal for the start of a hell-for-leather race which understandably can only leave the Japanese scratching their heads in amazement.

We are also thoroughly prepared to support the Commission in its efforts in this matter. We should like to give it unstinting credit for having been the first to come right out and say that we must evolve a common trade policy in respect of and with Japan. For us — and in this we agree with Mr Seal's analysis — the Japanese challenge is a positive stimulus, since it forces us to face the fact that we must restructure some sectors in our industrial spectrum. Hence it is understandable that the European Community should be asking the Japanese to give it a little time in sensitive sectors, so that it can restructure and take the measures needed to give it a fair chance in international competition. If world trade is to be maintained, it is vital that we be afforded a transitional period so that our industry can put itself on a modern footing.

For this reason — and I must make this quite plain — my group rejects all the amendments tabled by Mrs Fourcade. We fear that the spectre of protectionism could once again stalk the earth. What we want to see is an international socially-oriented free market economy which would enable us to uphold free trade while at the same time taking the social measures needed in any such phase of restructuring.

Now that we are entering into a dialogue with the Japanese — and with your permission, Mr President, I should like to say a few more words on this subject — we should like to solve *all* the problems with which we are faced in this connection. As you all know, we must insist that our Japanese friends do more to open their markets. It is not mere bleating or whining on the part of the Europeans but the expression of a harsh reality when they claim that the Japanese market is not nearly

Van Aerssen

as open as it should be under the ground rules laid down by GATT. We are saying this as an honest trading partner, which must insist that something be done about it. We would couple this, however, with an appeal to our own industry to be more vigorous and muscular in its approach. We are not just standing here beating our breasts; we have no reason to do that, as we are strong enough as it is. All we need is to gird up our loins and put our shoulders to the wheel and impress on our people that they must grasp the opportunities afforded by a market of 110 million people. We have got to get ourselves moving again. This is why we shall be supporting the amendment, which incidentally we ourselves tabled here in the European Parliament three years ago, to the effect that young managers and executives should be sent to Japan to study the country, its culture and its markets. On their return the knowledge and experience they will have acquired can only be of immense benefit to all of us.

Our strategy may be summed up, Mr President, in eight points. The first point is that we should like to see the Japanese more deeply involved in development aid, of the kind that we ourselves are giving through the Lomé II agreement. We must urge Japan to do more in this area. In saying this we do not mean to cast any aspersions on that country, but it is an island and we must give it the chance to influence the wide world outside its ken by being associated with this agreement in some form.

Secondly, we should like to see Japan, with its strong currency, playing its part in meeting the obligations incumbent on all the nations of the world to cooperate in the establishment of an international monetary system. Japan should be involved in one form or another — and this is something to which a great deal of serious thought must be given — with the strengthening of the European Monetary System.

Thirdly, we should like to avail ourselves of our dialogue with Japan to involve Japanese resources and Japanese capital in the process of recycling the oil dollars. Proposals have already been worked out on this matter. We intend to invite the Japanese to join forces with us in this venture.

Fourthly, we intend to propose to them that they should join us in securing supplies of energy and raw materials, since Japan is also vulnerable in this respect. It is a country that is even more dependent on energy and raw material imports than we are, and I feel that there is a natural scope here for the development of a partnership based on common interests.

Japan should also be involved in European Political Cooperation. If we are really partners and believe in genuine cooperation between friends and partners on the world's stage, then we must invite them to be associated with our foreign policy deliberations.

We shall invite the Japanese to play their part in bearing the burdens of defence in our troubled world, and I feel that they will readily understand our position on this matter. It would not be in our own interests to stand idly by and see a power vacuum being created in that part of the world. We realize the problems posed by the Japanese Constitution and we sympathize with the feelings of the Japanese people whose sad fate it was to have to suffer the first nuclear holocaust in their history and in the history of the world. As partners, however, we must insist that they join forces with us in this matter, and that will mean adopting a clear and consistent joint position vis-à-vis the ASEAN countries, China and the rising industrial nations in that part of the world.

To sum up, my group argues that we should avail ourselves of the present opportunity not only to discuss the economic questions, important as they are, with our Japanese friends but also to deliberate together on political questions and to listen to each other's views on trade, foreign policy and defence. Never have we had such a favourable opportunity of doing this as we have at the present time. We should like to express once again our sincere thanks to Sir John Stewart-Clark, who has covered all the various facets of the problem in his report and thus given the European Community for the first time an opportunity to speak with one voice on this matter.

Mr President, I should like to conclude by making one remark in my personal capacity. You will be aware that my country and its people favour self-determination and the reunification of Germany. In this spirit we can only lend our wholehearted support to our Japanese friends, who are also longing for the day when their country will be reunited along the path of self-determination through the restoration of the Kurile Islands.

President. — I call the European Democratic Group.

Sir Fred Warner. — Mr President, during the brief debate last night on the motor industry, and again this morning in this debate on trade relations with Japan, we have been calling into question whether we in Europe really want to live with the full implications of free trade. Clearly, some of us don't. The restrictions which France and Italy maintain on imports of Japanese cars have nothing whatever to do with free trade, nor have the non-tariff barriers which some British firms encounter when they try to sell goods to France, for instance. Perhaps it is not surprising, therefore, that some people in this House should find the restraints of the GATT system rather hard to bear. Certainly, in this period of recession it does not work to our advantage in the way that it did during the decades of industrial and trade expansion.

Warner

It is not only our trade with Japan which is proving burdensome, but that with all the newly-industrialized countries. Changes will surely be needed. Equally surely, the majority of this Parliament and the majority of our governments do not want to start a stampede towards protectionism. We are far too conscious of the enormous benefits of the present system. Let us note that, while we talk here in Parliament about the Americans' having negotiated an agreement with the Japanese on motor-cars, in fact the US Government has absolutely refused to enter into any agreement whatever on trade restraint, they have merely accepted a one-sided voluntary statement from the Japanese that they do not intend to exceed certain levels of imports of cars into the US. That is precisely the same kind of arrangement as the British have come to in this field.

The resolution we are discussing follows the same line. We in the European Democratic Group believe that that is the right position for the Parliament. What we ask the Japanese to note, however, is that no system can be made to last if it is abused or turned to the advantage of one member only. As Count Lambsdorff recently said: 'The Japanese should give us access to their market and they should try to moderate their position on exports. They must take care not to provoke political reactions in our country which would force our government to actions we do not want to take' — and we know what he meant by that. And Lord Carrington said: 'No elected government in Europe can watch this process gallop ahead unchecked. If this continues, we could find ourselves caught up in a destructive cycle of protectionism'. Now these leaders of the Community meant precisely what they said, and measures will be taken if it becomes unavoidable.

I suggest that the Japanese are now perfectly aware of what we think and of what is needed; our complaint is that they have taken far too long to listen to us and that unacceptable damage is being done meanwhile. Unfortunately, in Japanese thinking, rapid decisions are bad decisions; nor do you, if you are a Japanese, take any action until you have lengthily planned every detail of its ultimate success. This is why Japanese export campaigns tend to bring results far beyond what is reasonable. We are in dangerous and fast-moving times, and the Japanese as much as any or us need to shake loose from traditional attitudes, assumptions and behaviour patterns. In particular, we would like to see them break obsessive habits of over-investment in individual sectors. We are all experiencing these difficulties of change. We ask the Japanese to recognize the huge risks they have been running, risks to themselves and to the developed world, and to take action now to deal with them, as, indeed, they seem to have said they will. But at a European speed please, not at a Japanese one.

In conclusion, let us accept that nothing is going to be perfect. We ask the Japanese to recognize that under

no circumstances will we offer them unlimited opportunities in our markets when this means the closing down of whole industries and the loss of technologies. Equally, we must accept that the Japanese are far ahead of Europe in many fields and that we are going to be dependent on them. So let us both show moderation and realism and let us both look at these matters in the light of our relations as a whole. This is the point Lord Carrington made on Tuesday. We want them as good trading-partners, so we must offer them real political partnership. If they want real political partnership, they must become good trading-partners.

Mr President, my group will vote for this excellent resolution prepared by Sir John Stewart-Clark, and we draw the attention of this House to the amendments to it which we have tabled.

President. — I call the Communist and Allies Group.

Mr Cardia. — *(IT)* Mr President, the talks we have had in the past few days with the Japanese delegation that is here in Strasbourg have made it clear that there is something fundamentally contradictory about the state of relations between the European Community and Japan at the present time.

At the political level the European Community and Japan are actively engaged in promoting détente and nuclear disarmament as well as international economic cooperation, particularly with a view to the development of the Third World. They realize that their interests in these two areas are identical. These endeavours, which we all hail with pride, are directed towards the creation of a new international order that will be more well-balanced and just, as well as being free of that lust for hegemony and self-aggrandisement so characteristic of the superpowers, armed as they are with the weapon of nuclear power.

At the economic level, on the other hand — and particularly in the matter of trade — serious and growing conflicts and tensions are making themselves felt, which threaten to undermine the agreement between the two sides in the political sphere and to foment disorder in the world through the adoption of protectionist policies and the declaration of a full-scale economic and trade war. Indeed, the first trumpet blasts heralding the onset of battle are already ringing in the air.

Both parties therefore must do their utmost to dispel these conflicts and tensions and refrain from adopting isolated and excessively rigid positions and compounding the problems posed by the distressing and ever-growing trade deficit between our Community and Japan. This is all the more essential in that the latest statistics all go to show that this deficit is beginning to assume a permanent and structural character. This is certainly clear from what I consider the

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very shrewd assessment of the situation recently given by Mr Fielding, head of the Community's permanent mission in Tokyo.

While again there is some disagreement on this point, I feel that the deficit is due not so much to stopgap economic policies and stratagems or to a go-it-alone approach to trade, as is often claimed, as to differences in competitiveness, in cost structures and in more or less closed marketing structures. While these differences obviously call for prompt remedial measures, even if only along the lines of that self-restraint that we, with every justification, are asking from the Japanese authorities, they can, however, in our view be overcome only in the medium or long term, and not at the level of multilateral or bilateral trading exchanges but rather on the basis of an economic cooperation that will be more wide-ranging and better coordinated and will embrace all levels and sectors of economic activity. It must be a fruitful industrial, technological, financial, monetary and cultural cooperation that will bring the two societies closer together and bridge the gap between the demand structures of the two markets, all the time paying particular attention to our common responsibilities towards the countries of the Third World.

If this approach is to be a success, it is vital that we here in the European Community set our own house in order by working out programmes and measures designed to prevent our resources, our energies and our efforts being squandered or deployed in such a way that they pull in opposite directions. We have seen this kind of thing happen all too often in recent times. This will help our Community to emulate Japan's capitalist and liberal system in programming our own productive and economic activities to the best possible effect. We must push on therefore beyond mere requests for protectionist trade measures and strike out on the broad path of economic cooperation agreements between the Community and Japan.

President. — I call the Liberal and Democratic Group.

Mr Louwes. — Mr President, I should also like to thank Sir John, on behalf of my group, for his outstanding report. It is a fine initiative, a good report, and my group stands squarely behind him. I should also like to congratulate Sir Frederick Warner on having arranged for the Japanese Parliamentary Delegation, which is visiting Europe and is at this moment in the Official Gallery, to attend the meeting of the Committee on External Economic Relations. I found this meeting extremely constructive.

I do not intend to go over again the fundamental difficulties in trade relations between the EEC and Japan. These have been brought forward here all too often — the heavy concentration on a few sensitive sectors and the impenetrability of the Japanese market.

The EEC is the world's biggest trading partner, which abides, both in letter and spirit, by GATT. I refer, in particular, to the all-important principles of reciprocity. The Community believes in freedom and is dedicated thereto, as is my own group. But Japan and the other great trading partners as well — and I am thinking here of the United States — must appreciate that this freedom can only endure and be enjoyed in harmony and equilibrium where self-restraint is used. For it is an inescapable fact that the boundaries of freedom are reached where the freedom of others is affected. Unless this principle is observed, imbalances and disturbances arise — I am thinking of Liverpool over these last few days. The EEC must not become a sitting duck or a lame duck in the pond of world trade. I should like to quote my colleague Mr Welsh, as I did yesterday evening, when he pointed out that competition is generally considered unfair when it is successful. We must appreciate this fact. The EEC Member States should take up the Japanese challenge by introducing innovations in and restructuring our national industries according to a Community plan. We can learn much from the Japanese. Consider their huge investments in our Community. Consider also Denmark. At the meeting I have just attended our Japanese guests pointed to the success achieved by Denmark through well-directed and intensive activity in the Japanese market. As a result that Member State has a favourable balance with Japan. Consider also — and our Japanese guests have mentioned this as well — possible joint exploration of opportunities in China.

Mr President, the past few months have seen visits to the EEC both by the Japanese Premier and by the Trade Minister, Mr Suzuki and Mr Tanaka. Both complained that while they wished to do business with the Community, they found that they still had to deal too much with the capitals. Even so they affirmed, in reply to a question, that foreign trade policy was increasingly taking on a Community character. Mr Seal has already referred to this matter, and I should very much like to hear the Commission's point of view. I should mention here that we shall be voting against the amendments tabled by Mr Seeler.

In conclusion, I should just like to mention that the Member State to which I belong is the first country — and for two centuries has also been the only country — to have set up its own trade centre in Japan. This trade centre was established on an island in Nagasaki Bay. The leader of the Japanese Parliamentary Delegation, the Honourable Mr Kuronari from the Nagasaki Prefecture, who is present in the Official Gallery, has assured me that the Japanese still greatly value this commercial business with the Netherlands, which began 300 years ago, together with its cultural implications.

President. — I call the Group of the European Progressive Democrats.

Mrs Fourcade. — (*FR*) Mr President, dear colleagues, having spent a good part of my childhood in Japan, of which I have wonderful memories, I feel particularly concerned about the problems we are discussing today.

Trade relations between the EEC and Japan have long been a concern of the Group of European Progressive Democrats. We are aware that, in the present circumstances, only a substantial limitation of Japanese imports will enable our industries to recover their national markets and the European markets, so that they may replenish their resources to face new economic battles. And this is sad. It is true that Japan's commercial penetration of Europe is reaching the extreme limit. Their exports have jumped in the most sensitive sectors. Much has been made of the damage caused to the motor-car industry but, in fact, Japanese exports to the Community in the engineering, electrical, electronics and metal-processing sectors have also increased alarmingly.

In these circumstances the Community's failure to take positive decisions at European level is all the more regrettable. Certainly, we know the reasons generally given, based on the peculiar characteristics of the Japanese economy: lower wage costs, particularly where women are concerned, the existence of sub-contracting firms whose social charges are virtually non-existent, etc. Now, these anomalies — for they are indeed anomalies in relation to ourselves — can be explained, more or less, by the nature of the special relations established between the Japanese Administration and national undertakings, by the monopoly system existing in various sectors such as ball bearings and telecommunications and by trading deficits resulting from undercutting, deficits which appear to be covered by the Japanese authorities, by a very active policy of buying up patents, notably in the United States and Europe, and finally, of course, by artificially sustained fluctuations in the Yen.

Does this mean we should throw in the sponge at a time when a passive attitude can only lead to a decline in employment and the bankruptcy of our production units? I sincerely believe that this latest visit by the Diet will make it possible, through constructive consultations, to put an end to this policy which is resulting in whole sectors of the European economy being sacrificed, at a time when recession and mounting unemployment are reaching unacceptable levels throughout the Community. Nonetheless, if European undertakings are finally to enjoy sound conditions of competition, it is urgently necessary to stabilize the rate of entry of the most sensitive import products, as most sectors are urging. From now on such imports should be limited to a given percentage, which would make it possible to view them in relation to the total absorption capacity of Community domestic consumption. In the same spirit we shall support Amendment No 9, which is aimed at protecting and promoting our exports to Japan. We would also like to see the intro-

duction of customs duties like those applied in all countries, notably the United States, the return to a fair and equitable rate of entry which ought to be achieved this year by the establishment of a voluntarist policy comprising joint and immediate protective measures. Does not Sir John Stewart-Clark himself speak of possible reprisals if the situation were to persist?

To achieve these objectives, it is obvious that large-scale negotiations are necessary, not only collectively but sector by sector to check the invasion by our Japanese partner. I am glad that these negotiations have already started. They are all the more urgent because the acceptance by Japan of self-restraint in relation to the American market has led to the Japanese diverting their efforts to the European market. And who could blame them? The recent tour of European capitals undertaken by the Japanese authorities is particularly significant and symbolic in this connection. Japan must therefore take account of our domestic situation and agree to limit her exports not only in the motor-car industry, but in all sensitive sectors, as was the case with the United States so as to avoid our reacting by taking protective measures, which is something we would regret.

It is with all this in mind that we have tabled amendments, to which we attach much importance, to the excellent report by Sir John Stewart-Clark which puts forward a good number of options with which we are in total agreement and which we would like to see adopted.

I would just say in conclusion that it would not be such a bad thing if we did some tidying up ourselves and matched our own production to the competition confronting us, whatever it may be. But that is another story . . .

President. — I call the Group for the Technical Coordination and Defense of Independent Groups and Members.

Mr Pannella. — (*FR*) Mr President, it seems to me that technically, and therefore to a certain extent politically too, our Parliament, in the field of Community relations with Japan, has taken a serious-minded approach and made use of its powers in a way which can hardly be regarded as typical, and this thanks to the persistence of the Conservative Group and the experience of Sir Fred Warner and the rapporteur, Sir John Stewart-Clark.

I stress this because, so far as I am concerned, these people are political adversaries. We on the left have to acknowledge that we sometimes lack not only these technical instruments but also the force of conviction which so often characterizes our Conservative colleagues. In many ways, I am forced to recognize

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that our practical work, under the excellent chairmanship of Sir Fred Catherwood, offers daily confirmation of this truth: on the one hand, there is the hollowness of our positions on the left and, on the other hand, the precision, the down-to-earthness and striking efficacy of our friends and colleagues of the right — representatives of the most rigorous and intransigent section of the right.

Unfortunately, this efficacy, this efficiency, never makes itself felt in the medium term, as we notice when we switch on the radio and learn that at night the British do not, alas, sleep the sleep of the just. To an ever-increasing extent, the seething discontent is brimming over and a large part of Britain's youth appears disillusioned and beyond hope, as though the work of the politicians offered it no hope at all. This must be borne in mind when drawing up our economic and social balances, when reviewing the costs and the social benefits accruing from any particular policy. When this policy is unduly hard and fast, I think we undergo serious risks in the medium term.

We must therefore, I think, recognize that the laws of the market have been respected by Japan and have not been violated — these laws in which Sir John Stewart-Clark, Sir Fred Catherwood and Sir Fred Warner put their trust. Now that we, as Europeans, have been beaten in so many ways, we are trying to impose protectionist solutions. Of course we say that we want the Japanese to adopt certain attitudes voluntarily, but in reality what we say amounts to the intimation that if we fail to persuade them we shall take protectionist measures in self-defence.

As regards my own view of this confrontation, it is to some extent a neutral one. I must say that our rapporteur and our committee are not the ones to point out with all due emphasis that one of the main reasons for the Japanese *Wirtschaftswunder* is that for a very long time Japan has not been allowed to incur a high level of military expenditure: this has given the Japanese a wonderful opportunity, which they have turned to advantage. If we Europeans could give to industry the resources that we waste on armaments and instruments of death, we should be much stronger in this economic war which we accept and are vainly trying to win. That would be better than wasting every year hundreds of thousands of millions of dollars on a war which is only hypothetical. Thus, we have a confrontation which we contemplate to some extent as observers.

It must be stressed that the Japanese also owe their success to their rigorous exploitation of the workers and, indeed, to the fact that they do not, as many of our countries do, devote considerable sums of public money to promoting world development. These are things that have to be borne in mind. We do not want to sermonize, Mr President: we say simply that, between our policy and that of the Japanese, there are some elements that have not been sufficiently brought

out and illustrated in our rapporteur's (incidentally, excellent) explanatory statement. I shall therefore merely abstain and express once more the wish that the Conservatives' precision and efficacy are not paving the way for further disasters in the medium term, as has very often happened in the past and is still happening in our countries today.

President. — I call Mrs Poirier.

Mrs Poirier. — (*FR*) Mr President, in our view the Japanese are quite simply acting in their own interests, and it is for us to do the same. What we need are protectionist customs measures on a large scale which have our support. There is, however, another question, of a much more fundamental nature: how, in each country of the Community, we can develop each sector of industry so as to satisfy our true needs and what type of European cooperation we should employ to this end.

There are possibilities: industrial co-production and technological cooperation may offer, or contribute to, a solution. Japanese competition is, in fact, not the only problem. There are other gaps to be filled: in particular, unsatisfied demands and the existence of a vast market made up by the European countries taken together. It is therefore up to each country — and we in France are already thinking of this — to lay down the social and economic conditions that would enable us to cover this market and satisfy these demands. Thus, satisfying wage demands, reducing working hours, improving working conditions as a whole — pace of work, hygiene, safety — these, in our view, are some of the most important conditions for finding a fairer solution to the essential problems.

Finally, we shall not oppose Sir John Stewart-Clark's report, since it states the need for trade negotiations with Japan with the object of imposing a limit on its exports.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (*FR*) Mr President, obviously I can but associate myself with the compliments that have been addressed to the rapporteur on the quality of the document he has submitted to your Parliament: I only regret that I cannot devote more time to it. I can, however, say that in all essential points, we agree with the diagnosis that has been made. This brings out very clearly, with the aid of figures, the growing deficit, but above all a very pronounced tendency, both in absolute and in percentages terms, towards a rapid diminution in the extent to which our imports are covered by our exports.

Secondly, there is the market penetration of certain sectors of the market by Japanese products, due to an

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industrial policy which has already been fully dealt with but which essentially is based on two ideas: the idea of progress, of concentrating on those sectors that have a big future, and, on the other hand, concentration upon exports. The first of these is the very sphere in which we have not only to defend ourselves but rather to seek for possibilities of developing our economy. Obviously, the future of Europe lies, not with the labour-consuming industries, but with the big markets that are opening up, the markets that are based on high technology. Hence the importance of this orientation, which the report brings out very clearly.

The third element requiring an analysis in depth is the impenetrability of the Japanese market. As I shall explain in a moment, this, I think, must be approached both from the technological angle, by considering how to remove certain obstacles, and from the political, and this means bearing in mind the end as well as the means. Our ultimate aim is, of course, an opening up of the Japanese market: all the rest is a matter of the means to be employed. But since this is something more than just a matter of customs and tariff barriers and directly concerns bigger matters — attitudes and decisions adopted at the governmental level or by industry as a whole — I think we have to insist upon the final result as well as upon the practical and technical means of bringing about a theoretical opening up of the market.

Having said that, Mr President, I find there is one point on which I agree with Sir John and which, incidentally, was raised here yesterday when we were dealing with the problem of the automobile industry. We have got to see things as clearly as possible, and I cannot agree with Mrs Fourcade that our chances of rapidly making our economy more competitive are another matter: on the contrary, it is precisely here, in this field, that — bearing in mind our ability to act — our main problems will arise in the future. Consequently, I think there is a lesson to be learnt, not only from the Japanese' way of organizing things — we shall never achieve that kind of organization, since it does not correspond to our own structures — but also from their spirit of enterprise, their willingness to take risks, their determination to concentrate upon progress and the courage they have shown in confronting the world outside. This means that much of our effort will have to be concentrated on developing our own industries. Here I would refer you to what we have written in the report on the automobile industry, which will, I think, be coming up for further discussion and which deals with one of the points raised by Sir John — namely, how our own rules will have to be applied if we are not to stand in the way of that cooperation which is necessary among our industries. This question has already been raised, and I think it is of essential importance.

That having been said — and I regret that I cannot be more explicit on such an important subject — I think we can agree with the rapporteur on three clear lines

of action. The first would appear to be a matter of procedure, but in reality the question here is whether we are capable of making proper use of our own strength in the dialogue with the Japanese. What we think of as concerted action in any negotiation on behalf of the Community is, in fact, a determination to throw our entire weight into that negotiation so long as it lasts. Either we show we are capable of doing this or we merely, as it were, go through the movements and never get down to reality. This is an essential point, and I think there is no need to dwell on it at any length. If, in such a concerted action, we fail to muster all our authority and put forward a clear point of view, we shall risk losing our opportunity of influencing the course of events in the dialogue with our Japanese partners.

The second point concerns the problem of Japanese exports. Here, without compromising the principles underlying our market, we must indeed convince the Japanese of the need for moderation in sensitive sectors. I have no objection to people talking about interests: of course, interests are involved, but they are interests directly linked with the solution of our problems, and it so happens that what are called the sensitive sectors are also those sectors where the future of Europe lies. Well then, none of us is justified in abandoning those interests and we have to explain clearly to our partners why we are not prepared to abandon them.

And so there are procedures and discussions to be got through. Recently we met the Japanese Prime Minister. I shall not dwell upon what is going on at the national level — much to my regret — or on what will — and soon, I hope — be taking place at the Community level. In the autumn, we shall have another opportunity of discussing these matters with the Japanese. All I want to say is that we have to get on with an essential part of our common action. True, we must eschew the more absurd forms of protectionism, we must be careful not to go too far in this direction; but it must be made quite clear that we are looking for moderation and are determined to achieve it. Here, incidentally, it becomes clear how my first point — that what appears to be a matter of procedure is in fact the very basis of political action, that is to say, the ability to exploit one's strength — is bound up with the second, namely, the ability to make our partners understand where our interests lie and why they must help us to defend them.

The third point is the opening up of the Japanese market. A moment or two ago, I referred to one aspect of this when I said that quite a number of elements must be made to contribute towards this end. Sir John mentioned some of them. That which will help us to know the market better, to establish better contacts and so to penetrate it amounts in fact to an entire infrastructure, a campaign of action which will have to be carried out with the assistance and support of the

Ortoli

Japanese authorities; but no one will step in for us and take the initiative on our behalf. That, I think, goes without saying. Here the Community has a part to play, but I should not like to see it degenerate into a largely administrative affair. I am not enamoured of the idea that we should set up an office for dealing with problems of investment. If our industrialists realize that we are prepared to help them penetrate the market, if they roll up their sleeves and apply the classical methods to this end, they will have a good chance of winning, and I can assure you that they will have our full support; but if they wait for us to change the regulations — although they will have to be changed — and set up offices for them — even though they will need a certain amount of technical assistance — then the result in a few years will be disappointing and even, perhaps, nil.

But there is another aspect which I have mentioned, and that is that something more than just regulations is required to open up the Japanese market. A whole campaign — which Sir Fred Warner knows better than anyone — will have to be carried out within Japan itself, and this, in part, is of an economic nature — that is to say, a transformation of Japanese society, which must be opened up more widely to trade in consumer goods and therefore to the consumption of goods from abroad. Mr Lambsdorf recalled only a short while ago that the average *per capita* import of manufactured goods today is at the same level for Japan as it is for Turkey: in 1980, the value of Japan's imports of manufactured products amounted to 30 000 million dollars, while that of the Community amounted to 164 000 million dollars. There is, I know, a difference in the population, but it is the opening up that we want. I shall not dwell on this point any longer. What we need to do together is to fix upon a line and then develop the will and the capacity to work with our partners to settle this very difficult problem.

There are two or three remarks that I should like to add. The first concerns the more general problem, raised by Sir John, of cooperation. This, I think, is not only a commercial but also a monetary problem, and I must say, I do not share the view that we should take the singularly paradoxical course of inviting the Japanese to participate in the European monetary system. It would, I think, be in the interests of both parties to develop a tighter form of cooperation — something more than just theory, more than just a vague policy, rather something organized on the monetary plane; the search for a greater degree of monetary stability, particularly in the relation between the ECU, considered as an expression of the European currencies, and the yen is something to which we shall have to devote much time, attention and vigilance, because the reality of economic relations is expressed in the rates of exchange. There, I think, we have an interest that is common to the Japanese and to ourselves. I would add that the spirit of cooperation that Sir John's report makes so much of — whether it be the problem of investments and how to organize

them, the banking problem or the problem of services — must be reflected in the policy we pursue.

The other observations I wanted to make concern the conditions governing the success of an operation such as that we have begun, and I think that these conditions exist on both sides. The Japanese must appreciate that we are absolutely serious in approaching these problems. We are not there to compile a long report on a situation, complete with sociological or economic analyses; we are there to settle real problems concerning the future of European industry — and while we are talking about the importance of the interests involved, we must realize that the value of any negotiation depends on the extent to which we are prepared to throw ourselves into it. Our Japanese friends absolutely must understand this and realize that if they fail to take due account of this sensitive factor they run the risk of finding us, at one moment or another, reacting excessively. We want to avoid this, but it must be borne in mind that, with life as it is and with the passage of time, this kind of risk may well emerge.

One other point concerns us ourselves. One of the problems of Europe — not only in our relations with Japan — is that of our credibility, our credibility in the conduct of negotiations. We say we want to speak with one voice, we say sometimes that we have to sing the same tune, but in fact neither the content nor the form of what we undertake is sufficiently convincing to enable us to convert what we say we are doing into reality. This is an essential political feature of what we call the external activities of the Community.

This credibility is bound up, as I said a few moments ago, with our ability to settle, or help settle, our own problems by means of a tremendous joint effort on a European scale. This, too, we have to demonstrate. If we give the impression that the policy of Europe is essentially a policy of defence, of withdrawal, of compounding with fate, not of hitting out and taking the offensive, but only of taking the blow and recoiling, then, whether we are dealing with Japan or with any other challenge, the result may be fine speeches, perhaps further complications in international affairs, but it will not be what we should be aiming for, which is the progress of Europe towards growth and full employment.

President. — The debate is closed. We shall now proceed to the vote.¹

(...)

Preamble

Ninth indent — Amendment No 11

¹ In its coverage of the votes, the report of proceedings only reproduces those passages which include speeches from the floor. For details of the vote, see the Minutes of this sitting.

Sir John Stewart-Clark, rapporteur. — It is a little stronger than in my report but I think it is justified by the events since the report was adopted in mid-May. Therefore I am in favour.

(...)

Last indent — Amendment No 12

Sir John Stewart-Clark, rapporteur. — I am not sure it is strictly necessary, but in view of paragraph 1, I have no objection.

(...)

Before paragraph 1 — Amendments No 2, 3 and 4

Sir John Stewart-Clark, rapporteur. — I am against Amendments Nos 2, 3 and 4.

I would just say in respect of Amendment No 4 that it points a finger at the Commission, which really is not the guilty party in this matter.

(...)

After paragraph 1 — Amendments Nos 6, 7, 8 and 13

Sir John Stewart-Clark, rapporteur. — As far as Amendment No 6 is concerned, I agree, but I would prefer to have seen this put in the preamble.

As far as Amendment No 7 is concerned, we discussed this harder line in the committee. As rapporteur for the committee, I must say that the wording of this amendment does not reflect our views. Therefore I am against it.

As far as Amendment No 8 is concerned, it is sad but true. I am therefore for this amendment.

As far as Amendment No 13 is concerned, I am in favour.

(...)

Paragraph 3

After paragraph 3 (t) — Amendment No 9

Sir John Stewart-Clark, rapporteur. — I am not totally happy with the wording of Amendment No 9, but I am prepared to accept it.

(...)

Paragraph 5

Paragraph 5 (c) — Amendment No 17

Sir John Stewart-Clark, rapporteur. — On the basis that anything shorter is simpler and generally better, I agree.

(...)

After paragraph 5 (c) — Amendment No 1

Sir John Stewart-Clark, rapporteur. — I am against Amendment No 1, but if it is adopted it should replace paragraph 5 (d).¹

(...)

(Parliament adopted the resolution.)

3. Monetary compensatory amounts

President. — The next item is the report (Doc 1-344/81) by Mr Früh, on behalf of the Committee on Agriculture, on the

amendment of the proposal from the Commission to the Council for a regulation on monetary compensatory amounts (Doc. 1-242/81).

I call the rapporteur.

Mr Früh, rapporteur. — (DE) Mr President, ladies and gentlemen, the report I have submitted to you is a rather technical one dealing with monetary compensatory amounts. You will be aware that this is an extremely difficult subject, especially as there was the added complication that the attempt was made to introduce the concept of the European unit of account into the agricultural policy. It was believed at the time that because of its floating character this would give rise to serious difficulties, but that was not the case. In fact, the introduction of the EMS enabled us to tackle the problem far more efficiently than was previously the case.

What we have before us now is a proposal for a simplification, which is connected with the accession of Greece. Last year saw the introduction of a similar simplification in regard to monetary compensatory amounts in the wine sector, which affected only Italy and France. What happened was that this amount was fixed at zero in the country with the lowest monetary compensatory amount and then reduced by this amount in the country with the highest monetary compensatory amount.

¹ The rapporteur also spoke *in favour of* Amendments Nos 10, 14, 15 and 16 and *against* Amendment No 5.

Früh

What the Commission is now proposing is that this system should be extended to olive oil and rice, so that subsequent to Greece's accession this same simplification can be operated as between Greece and Italy. The Committee on Agriculture has adopted this proposal without any contrary vote. I would ask the House to approve this proposal and to invite the Council of Ministers to put it into effect immediately.

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — The debate is closed.

(Parliament adopted the various texts)

4. *Less-favoured farming areas*

President. — The next item is the report (Doc. 1-353/81) by Mr Papaefstratiou, on behalf of the Committee on Agriculture on the

proposal from the Commission to the Council (Doc. 1-341/81) for a directive concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Greece).

I call the rapporteur.

Mr Papaefstratiou. — (GR) Mr President, under Directive 75/268/EEC special measures were taken on behalf of mountain farming and less-favoured areas of the Community. The fixing of the limits, within the meaning of this directive, of regions of this kind in Greece started in 1977 when negotiations for Greece's accession to the European Communities were under way. These regions had special importance for the Community, when the Member States were still nine, because they comprised 31% of all farms and 33% of utilized agricultural area. However, for Greece their importance is even greater as they account for approximately 46% of Greece's serviceable agricultural land and approximately 25% of the Greek population live in these areas. This is the result of the fact that many areas of Greece, where the average height above sea-level is 502.34 metres, are mountainous or hilly. A characteristic phenomenon is soil erosion by rainwater which is made even worse because of the steep gradient of the land, the lack of forestation and the difficulty involved in taking the necessary measures to protect the land from erosion. Furthermore, in view of the morphology of the land, the unequal distribution of natural productive

resources and other factors, many regions in Greece display severe agricultural problems which must be dealt with if they are to survive. These regions are justifiably described as having severe problems, being solely or largely dependent upon agriculture. They also have low income levels and a continually decreasing population to levels which are dangerous for their survival.

The economic and social problems presented in these areas are due to a series of unfortunate factors, such as the inadequacy of natural resources, the large number of small farms divided into far too many strips, the significant upheaval of the age structure of the population and the lack of opportunities for employment outside agriculture.

Consequently, the regions under examination, according to a study by the Greek Ministry of Agriculture and the responsible authorities of the Community, can be characterized as follows:

First, a large population outflow is noted especially amongst young people who migrated towards Greece's urban centres or foreign countries. Second, economically backward conditions prevail. Third, there are possibilities to develop and improve living conditions.

It should be pointed out here that, despite the adverse natural, climatological, social and demographic conditions, in these regions there is a great deal of room to develop farming and stock-raising, to increase farmers' incomes and to maintain population levels. This can be achieved by providing technical aid, encouraging producers and implementing modern methods of production combined with the improvement of natural resources. I am referring in particular to pasture-land improvement programmes, the use of electric and solar energy, land improvement schemes etc. It should be pointed out, colleagues, that Greek agricultural products do not create Community surpluses and that the economic conditions of the mountain and problem areas of Greece can be significantly improved by organizing the farms on a rational basis.

In the report, which I have the pleasure of presenting to you on behalf of the Committee on Agriculture, there are complete statistics referring to the matters of these areas.

Parliament's Committee on Agriculture enthusiastically adopted this report and the report of the Commission's proposal is being forwarded to the Council of Ministers so that the inhabitants of the less-favoured areas and mountain farming in Greece can benefit from the proposals of Directive 75/268 concerning the Mezzogiorno and western Ireland.

At this point it should be pointed out that the measures fixed by Directives 80/666/EEC and 72/159/EEC fixing the reimbursement rate at 50% for compensa-

Papafstratiou

tory allowances for inhabitants of the regions of the Mezzogiorno and western Ireland which are facing the same, or probably even smaller problems than those which Greek farmers and stock breeders are facing in the areas which Parliament is concerned with today, should be implemented immediately in the areas of Greece under discussion.

I have tried, Mr President and dear colleagues, to give you a brief picture of the enormous problems of these areas and I am sure that the Members of Parliament, in view of their wide experience and their desire to contribute to the equal development of the Community's regions, will help us in whatever way they can to ensure the success of this endeavour.

(Applause)

President. — I call the Socialist Group.

Mr Haralampopoulos. — *(GR)* Mr President, the Commission of the European Communities' proposal under discussion which fixes the methods whereby the Community will assist Greece's regions and mountain farming amounts to another unacceptable discriminatory measure against Greece to be added to the adverse consequences which mainly Greek farmers have so far suffered from.

In plain terms, the Commission is depriving the inhabitants of these regions, farmers and craftsmen, of the possibility of benefiting from the aids which the Community has already provided for the Mezzogiorno and Ireland where similar circumstances exist.

Whereas the Community directives provide for the Mezzogiorno and Ireland:

1. Total reimbursement of 50% of national expenditure for the development of less-favoured areas,
2. Grant for farms above three hectares in size, and
3. Flexible use of the criteria for the designation of areas as problem areas.

In the case of Greece there are significant limitations on these proposals despite the fact that the Community's recent economic analyses accept that the farming situation in Greece is much worse than in any region of Italy.

In the case of Greece the following provisions are made:

1. Reimbursement rate of only 25% of national expenditure,
2. Grant for farms above three hectares in size, and
3. Strict application of the criteria for designating regions, criteria which should cover 80% of the regions in question.

The first of these measures deprives Greece of approximately 2 000 million drachma, 32.5 million EUA, from the development programmes for the less-favoured areas.

Mr President, PASOK believes that this new insult, the latest since the day that Greece joined the EEC, directly affects Greece's vital interests and places it in the humble position of a poor recipient of the Community's left-overs.

This does not surprise us because PASOK has already analysed and explained to the Greek people where New Democracy's decision to take Greece into the Community is going to lead us.

Be that as it may, we are now, Mr President, calling upon the Commission to take the necessary measures to provide Greece with the same rights as other countries of the EEC in similar circumstances have.

Mr President, we shall vote in favour of the proposal, but at the same time we attach responsibility both to the Commission and to the Greek Government who made this unacceptable decision.

President. — I call the European Democratic Group.

Mr Battersby. — Mr President, last Wednesday Mr Willy Brandt told us that here in the European Parliament we should only have two languages, French and English. In the European Parliament, Mr President, in our Assembly, every language has and should have its own value, just like every Member and the President. For this reason I shall begin in Greek and I shall now talk about the mountain farming areas of Greece.

In my youth I spent many years in the mountains of northern Greece, in the Greek villages, in the wild mountains where life is very difficult, where farmers labour night and day to survive and these peasants from the Greek mountains are today our brothers and we must give them direct and immediate aid. And now, with your permission, Mr President, I shall continue in English.

(Applause)

Greek farmers, Mr President, are courageous, hard-working people. You have only to see the miracle worked in the Axios, Strimon and Nestos river basins in Macedonia and Thrace to see the hard work, dedication and also the vision of the Ministry for Northern Greece, and what can be achieved in a few years. The same miracle can be worked in the mountains; but dams, irrigation schemes, afforestation schemes, roads, power supply, water supply and many other things are needed. Surveys in depth are needed of the soils and of the crop possibilities. People have to be encouraged to stay on the land in the mountains and to return to the land. This means improving the quality

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of life in the mountains. It also means money. From my experience and knowledge of the region, the savage nature of the mountainous areas of Greece I query if the funds proposed are enough, and I suggest that the level of funding be reviewed so that the agricultural problems of the mountainous areas of Greece can be resolved positively and permanently.

Europe must now take a positive and definite decision on the agricultural problems of the mountain areas of Greece.

I warmly welcome Mr Papaefstratiou's report and the European Commission's proposal.

(Applause)

President. — I call the Communist and Allies Group.

Mr Kappos. — *(GR)* Mr President, the structural problems of the Greek economy and of Greek agriculture in particular are well-known. Indeed, the average farm is very small, one quarter of the size of its counterpart in EEC countries. There is an extremely low level of mechanization, many areas are mountainous and all this leads to the undeniable fact that the productivity of the Greek agricultural economy is very low.

Mr President, with Greece's accession to the Common Market the agricultural economy and agricultural labourers in fact suffered severe consequences. Thus, for example, while inflation was above 25%, price increases for agricultural products reached 10%, a co-responsibility levy and restrictions were imposed on a number of agricultural products, dozens of national aids are being abolished in stages up to 1985, and the advantageous system of financing the agricultural economy is being abolished with the result that interest rates on expenditure for farmers has increased in recent years by over 100%.

Finally, we have abolished the system of collecting a number of products which means that Greek farmers will once again fall into the hands of traders, wholesalers and exporters with all the adverse effects when Greek farmers have fought for so long to free themselves from these entrepreneurs.

Mr President, these consequences, when combined with high inflation and unemployment, in effect mean a direct fall in agricultural incomes.

In response to this situation one would have expected that the organs, the different organs of the Community, would have guaranteed some balance in whatever aids are provided under the EEC's regulations.

However, Mr President, the proposal under discussion in effect shows harsh contempt for the principle of equality. Consequently, whereas a compensatory allowance and the rate of reimbursement for expenditure upon investments is fixed at 50% for other less-favoured areas, the Committee on Regional Development and Cooperation itself confesses in its study that the rate is fixed at 25% for Greece which has even more less-favoured areas. Furthermore, whereas the average farm in Greece is smaller, the smallest farm which can benefit from the aids provided is 3 hectares, while for the Community's other regions the size is 2 hectares. In other words, Mr President, while Greece has plenty of regions which are less-favoured, more less-favoured than in other regions of the EEC, there are no guarantees that measures will be taken to ensure that a balance is maintained with corresponding aids.

Consequently, Mr President, the Commission's proposal is an outright insult against the Greek people who are innocently suffering the severe effects of Greece's accession to the EEC. Indeed, the Government has special responsibilities on this matter, at least since it has not informed the Greek people. The Greek Communists, in order to lay emphasis on these adverse consequences, in order to underline the responsibilities of the Greek Government, in order to stress that no system of inequality, as in the present case, can be accepted, declare that they will not vote in favour of the proposal unless an amendment is adopted so that a balance is guaranteed in the case of these aids to the Greek people, even if they are only crumbs.

President. — I call the Group of the European Peoples Party (Christian-Democratic Group).

Mr Clinton. — Mr President, I just want to say very briefly that this group fully supports the Commission's proposals for the less-favoured areas of Greece. This has been discussed at some length in the Committee on Agriculture, and the Committee on Agriculture is fully behind it. I understand the disappointment of the Greek Members here at the level of support being provided, i.e. 25%.

I was a member of the Council of Ministers when the disadvantaged areas scheme was first introduced and that is the level at which it was fixed then. It took quite some years to get it to its present level of 50%. So the Member States then — and Ireland was one of them and we have a very large disadvantaged area in Ireland — had to accept 25% for a start and for some years after the start. That is not to say that I do not feel, as the Greek Members do here, that they should get the full benefit of the 50%. I do not know why the Commission has in this case recommended less. It is difficult to understand since the Greeks are now full members. I think that they should get the full benefit of whatever is being offered in this particular area and

Clinton

it is, of course, for the poorer areas of Greece. It has our full support in this group, and I do not want to hold up the meeting any longer.

President. — I call the non-attached Members.

Mr Zighdis. — (GR) Just a couple of words. I should like to thank dear Mr Battersby who brought back to me here in Parliament memories of the mountains of Greece which are tied up with poverty and freedom. I also thank Mr Clinton for introducing a little agricultural logic into this place.

I am in complete agreement with Mr Papaefstratiou's report and warmly support the motion for a resolution. One of the most fundamental factors of accession is the extension to Greece of the principle of aiding the less-favoured areas and any delay in implementing this principle in Greece's case will certainly be injurious, not only for Greece, but also for the idea of European unification and integration. However, Mr President, I have to make two remarks on this issue:

(Applause)

The first is that I am surprised at the improvised manner in which these areas are fixed. Glancing at the report, at the document which we have in front of us, I see a large number of omissions which I can only attribute to typographical errors because there is no other justifiable reason for their existence. Second, of course, is what Mr Clinton and Greek colleagues pointed out, that it is unacceptable for the principle of aids for less-favoured areas to be applied unequally in Greece, you do not know what damage we are doing to the idea of European unity in Greece, because we are giving the impression that the Greek people are receiving second class treatment. Since the Commission's and the Council of Ministers' thoughts and position on this matter are not certain, I think that the decision which the Committee on Agriculture has already taken should be submitted so that the same measures which were taken for Ireland and the Mezzogiorno are implemented in the less-favoured areas of Greece. I have nothing else to add, Mr President, apart from expressing my pleasure at this moment, and anticipating the even greater pleasure which I shall feel when the principle of equality is implemented by the Council's decision in the case of the less-favoured areas in Greece.

President. — I call Mr von der Vring.

Mr von der Vring. — (DE) Mr President, this item has been put on the agenda as a matter of urgency. I think that we are all of the same opinion on this question. However, there are other urgent items also, and one has the impression that all our Greek colleagues intend to speak today. If they do, then other items, such as the 1982 budget, cannot be dealt with. I should

therefore like to address an urgent appeal to all our Greek colleagues to refrain now from making their speeches, since it is quite obvious that there are no difficulties in regard to this matter.

(A request by ten Members to close the debate was put to the vote and rejected)

President. — The debate will therefore be continued. I should like to ask speakers to keep their contributions short.

I call Mr Vardakas.

Mr Vardakas. — (GR) Mr President, colleagues, 40% of the utilized agricultural area of Greece is in mountain regions. Greek farms are very small, about three-quarters of them are between 1 and 5 hectares (compared to 68% in Italy) and 93% of them are less than 10 hectares (compared to 85% in Italy). 43% of utilized agricultural areas consist of farms of between 1 and 5 hectares (22% in Italy) and only 10% of these farms are above 20 hectares (compared to 43% in Italy).

This, Mr President, is what the Commission wrote in its first periodic report on the social and economic situation of the regions of the Community (Doc. COM (80) 816 final, p. 106).

This small extract of the Commission's report is typical of the difficulties facing Greek agriculture. Indeed, the comparison with Italian agriculture in this matter provides a good opportunity for demonstrating how reasonable the Greek request is for the Greek regions which fall under the provisions of Directive 75/268/EEC to be included under the provisions of more recent directives culminating in Directive 80/666/EEC fixing more favourable measures for Ireland and Italy and for agricultural holdings in the Mezzogiorno in particular.

Furthermore, it is worth noting the fact that less-favoured areas of Greece which are included under the provisions of Directive 75/268/EEC account for 46% of utilized Greek land.

Consequently, it is clear that the alignment of Greece to the system currently operating in the Mezzogiorno is an essential move for reducing the existing disparities of development between the Community's different agricultural regions. Therefore, I can only express my complete agreement with the rapporteur, Mr Papaefstratiou, who with such elegance and in a spirit of objectivity and justice is attempting to bring Greece into line with the other Member States of the Community. There is no doubt that our agriculture will benefit greatly from its accession to the EEC.

President. — I call Mr Bournias.

Mr Bournias. — (GR) Mr President, I expected that all the Greek representatives would be unanimous on this issue, especially as one colleague took this view by asking for a recess as he supposed, reasonably enough, that all the Greek representatives would be unanimous on this matter regardless of party affiliations. Unfortunately, only Mr Zighdis has understood the issue and supported it and for this I give him my wholehearted thanks. And he is the leader of an opposition party. The other opposition parties began complaining about this matter and I am sorry that they did not have the decency to congratulate New Democracy's representative who has managed to achieve a balance with western Ireland and the Mezzogiorno for Greek mountain farming and the less-favoured areas of Greece. I am speaking of the Communist Party and, unfortunately, of PASOK. Mr President, I consider the issue already resolved. There are reasons of justice and equality for achieving a balance which is not simply a theoretical one but which also takes account of the 50% reimbursement rate of the compensatory allowance. This then is my opinion and I hope that this happens. In closing I want to congratulate Mr Battersby for his excellent Greek and his fine feelings towards Greece, and also my colleague, Mr Clinton, for his strong defence of justice in this matter.

President. — I call Mr Markozanis.

Mr Markozanis. — (GR) Mr President, as we all know, Greece is making steady progress in the direction of modernizing its agriculture. The aim of this is to increase agricultural productivity and at the same time unleash the inherent agricultural forces which can be used in other sectors of production. So far agriculture has accounted for Greece's major activity, the sole exception being the regions of Athens and Thessalonika. Another disadvantage affecting Greek agriculture is the vast extent of mountain areas and the relatively poor quality of the greater part of its land. Consequently, agricultural productivity is the lowest in comparison to all the other countries of the Community even including the Mezzogiorno and Ireland. This situation has resulted in the gradual migration of the farming population from the mountain farming areas to the urban regions with all the adverse economic effects that such a migration involves. Economic aid for mountain farming regions from the Community as provided for under Directive 75/268/EEC, even though it is not the same as for the Community's other less-favoured areas, will greatly assist the effort which Greece is presently making to further develop its economy. It will enable Greek agricultural holdings to adjust and will assist the development of a modernized agricultural industry and the development of tourism in the mountains which will increase agricultural incomes. Tourism in the mountains of Greece can be developed as these beautiful mountains are perfectly suited to this end.

Mr President, by implementing Directive 75/268/EEC the Greek people will be reinforced in their belief that Greece's decision to enter the Community will provide greater opportunities for raising the standard of living and improving the quality of life because the reciprocal aid and interdependence of the peoples of Europe of the Ten is still a reality.

President. — I call Mr Pesmazoglou.

Mr Pesmazoglou. — (GR) I just want to say the following, the issue is a legal one, not just a political one and, naturally, it is of great importance. In my opinion any discrimination within the Community is a contravention of the Community's Treaties. Consequently, if at this moment the less-favoured areas are being treated unfavourably — and I think that they are — this is not consistent with the legal provisions of the Treaties and I should also point out that what Mr Clinton said, despite the fact that I of course agree with his thinking, does not stand up. He said that there was a first phase in Ireland during which the rate was lower and, when it was raised later, conditions were more favourable. Yes. However, at this moment there is another system for the less-favoured areas of the Mezzogiorno and Ireland and there is no legal basis why the same criteria and the same arrangements should not be applied in the case of Greece. For this reason I want, Mr President, to suggest to the Commission and call on Mr Papaefstratiou to take note that in the proposal submitted by the Commission provision should have been made to correct this breach of the law and to implement these criteria retrospectively for the less-favoured areas of Greece.

President. — I call Mr Maher.

Mr Maher. — Mr President, I want to support what the Commission is doing and, together with my Greek friends, to ask for more. Could I make the point that, even though these schemes to help people in disadvantaged areas like Greece may appear to be expensive, there are certain issues which we cannot ignore. I am open to contradiction here by my Greek friends but I understand that there is a movement from the countryside into cities like Athens. Almost one-third of the Greek population is now crowded into Athens. If people crowd into Athens, then of course great resources have to be spent to provide the infrastructures, the housing and all that is necessary for human life in these areas, and I would argue that it is far cheaper in fact to use those resources in the rural regions and keep the people in those regions than have them move into the cities and the towns. So I think there is a certain undeniable logic in providing the necessary resources for countries like Greece in order that the population will have an acceptable standard of living in these regions.

Maher

I fully support what the Greeks want and I am prepared to support them in the future on behalf of the Liberal Group.

President. — I call Mr Pannella.

Mr Pannella. — *(FR)* Mr President, I think that this motion for a resolution is very timely and that it was absolutely vital for the legal reasons that have been so clearly and so cogently set forth.

Often enough in the past — at least insofar as your rulings on speaking time, Mr President, allowed me to do so — I have voiced my views clearly on the problems of Southern Italy and stressed that the greatest tragedy for our southern region was its ruling classes. I think therefore that I may now be allowed to speak a few very clear and very forthright words on this subject.

It goes without saying that I am in favour of the proposal. The less-favoured regions of our Europe — the South of Europe which spreads, in a manner of speaking, its tentacles right up to the North — must be given aid in order to enable them to cope with conditions that are growing ever more difficult. Nevertheless, Mr President, for the past 20 years we have here a paradox, namely, the more we assist agriculture, the less we assist the farmers. We give more and more aid to agriculture and our farms become more and more depopulated. The more we aid agriculture, the more we help the agricultural and food processing complexes to make farmers into a dangerously downtrodden labour force that is continually in difficulties. That is the problem of the South of Italy and, I feel, also the problem of our Greek friends. We must therefore go beyond pious hopes and aim at a broad vision of a European policy based on the structural needs of these regions.

When, for example, we see the problems sometimes caused in respect of Tunisia and the Third World by the accession of Greece and Greek rights within our Community, we might be inclined to think that this policy was a mistaken and dangerous one. When we realize that in the South of Italy and elsewhere people are very worried by the accession of Spain and Portugal, we should reflect that the reason for this is that we lack the overall vision that is becoming more and more necessary. In other words, we fail to regard as one of our greatest assets the unity of Mediterranean Europe, of the poor regions of Europe. A vision of this kind would be a great opportunity for Europe and would enable it to make the change, the triple 'qualitative jump forward' that is required. If we do not succeed in this, Mr President, we shall merely be reduced to an aid policy, the same policy that we have refused to accept for the Third World. We have always said that what we should give is not mere aid but development aid and that we should promote a

proper degree of interdependence. I support this resolution therefore, but I fear greatly that it will be only a drop of water in the ocean of failures and mistakes that our Community has chalked up because of the fact that it is entirely subordinated to the agricultural and food processing interests and to the industrial and military considerations that rule our world. Having said all this, Mr President, permit me just this once to indulge myself in the presumption of believing that I speak for the entire House when I tell you, Mr President, that on the occasion of your birthday our thoughts are all with you. We extend to you our very best wishes and our hopes that you will continue to carry out your duties for a very long time, even if I naturally hope ever more fervently, Mr President, that your political party and its policy will go to the wall.

(Laughter)

President. — You are very kind. Thank you very much.

I call the Commission.

Mr Pisani, Member of the Commission. — *(FR)* Mr President, you can very easily imagine that I should dearly love to plunge myself into this wide-ranging debate which has been launched on the occasion of the submission of this proposal by the Commission.

I shall, however, absolutely force myself to refrain from doing so, because the circumstances are not in favour of an auspicious development of this debate. I should like to say first of all that the situation with regard to hill-farming in Greece is one of the most worrying situations in the entire Community. Secondly and lastly, I would merely say that in the text that has been put before you we are outlining a procedure for defining regions, thanks to which the policy that the Community intends to pursue in regard to hill-farming will soon be a much more active one. This being the case, I hope that you will all be good enough to realize that what we have here is only the beginning of a procedure and that as time goes on the Community will have to take a decision, in the light of all the available statistics, on the degree to which the Community will have to intervene. Since therefore this is only the beginning of a procedure and not the Commission's final position, I would ask you to adopt the text as you have it before you.

President. — The debate is closed.

I call Mr Papaefstratiou for an explanation of vote.

Mr Papaefstratiou. — *(GR)* Mr President, I should simply like to make the point, since certain remarks have been made by colleagues from the Greek opposi-

Papaefstratiou

tion parties, that the members of New Democracy will vote in favour of the Commission's proposal as formulated in the European Parliament's Committee on Agriculture which quite clearly calls upon the Commission to fix the compensatory allowance rate at 50% for the inhabitants of all the mountain and less-favoured agricultural areas of Greece. This is just to avoid any misunderstanding.

5. Fisheries

President. — The next item is the joint debate on the report by Miss Quin (Doc 1-287/81), on behalf of the Committee on Agriculture on,

the proposal from the Commission to the Council (Doc 1-97/81) for a regulation amending Regulation (EEC) No 1852/78 on the interim common measure for restructuring the inshore fishing industry

and the proposals from the Commission to the Council for:

- I. a decision on the conclusion of the agreement, in the form of an exchange of letters, establishing fishing arrangements between the European Economic Community and the Kingdom of Sweden for 1981
- II. a regulation laying down certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of Sweden.

I call the rapporteur.

Miss Quin, rapporteur. — Mr President, I should like to say that I am obviously speaking here as rapporteur for the report from the Committee on Agriculture, but also on behalf of the Socialist Group.

It is a pity that we have not had time this week for a really wide-ranging debate on the fisheries question, particularly since we hope that, by the time we reconvene in the autumn, a proper fishing agreement will have been reached.

The measure that we are dealing with in my report is the continuation of an interim measure, and one of the things that the Committee on Agriculture criticized when considering this measure was that it was still of an interim and temporary nature. We do feel that enough information is now available about the needs of fishermen and fishing regions for the aid that is being applied here to be part of a long-term and more comprehensive programme.

We feel that much more money needs to be made available than is available at the present time. We welcome the increase this year, but feel that it is still insufficient.

The Committee on Agriculture did have certain reservations about the criteria apparently being used to administer this aid. The percentages of the aid going to the different regions is given by the Commission, but very little information is given about the criteria that the Commission is applying when it comes to application and how the money is given out. We should like to know if the Commission has some overall plan that it is working towards or whether it does this on an *ad hoc* basis. Perhaps the Commissioner here today would be able to tell us that.

The definition of the areas of special priority does, I think, need mentioning again in particular because there still seems to be some confusion about the way the term 'North Britain' is used. It has been pointed out to me that the French text of my report does have a mis-translation here. The Northern parts of Britain which are referred to are of course Scotland and the East Coast English ports from Berwick as far south as Bridlington. I hope that the Commission makes that clear and confirms that to us today.

There are many things in my report which pick up previous report on this subject — an excellent report — which was presented to Parliament by Mr Kirk last year, and my report should really be seen as a complement to Mr Kirk's report rather than in any way contradicting it. I do however mention one or two things which were not in the Kirk report. For example, I am glad that, because of the entry of Greece, that Greece is one of the regions of special priority for the purposes of this measure. I think we all welcome that.

Another aspect that I mention which perhaps was not very much highlighted before, was the need for grants for such things as fuel-saving measures on board ships and the insulation of ice-making machinery and of storage tanks on board vessels.

To summarize, Mr President, we are, in the Committee on Agriculture and the Working Party on Fisheries concerned with the future of this industry and with the future of the fishermen who work in it, who have had a very hard time in recent years. Fishermen have suffered from decisions politicians have taken, and they have also suffered from some very necessary decisions which have had to be taken regarding conservation of fish stocks. We have to help the fishermen themselves as well as introducing measures to include their vessels and equipment. So besides modernizing and helping the industry to modernize, we do need, I believe, social measures such as compensation for cases of hardship, help with retraining and with adaptation to new forms of fishing and new forms of economic activity. Where fishing areas are eligible for other forms of EEC funds, personally, I hope that we can have a more integrated approach, where the role of fishing in the general regional economy is fully taken into account.

Quin

These are some of our concerns, Mr President. We hope that the Commission fully shares them. We hope too that a more long-term comprehensive approach to this problem will quickly emerge in the very near future.

President. — I call the European Democratic Group.

Mr Provan. — I am a member of the European Democratic Group, Mr President. I would like, on behalf of my group, to welcome these measures; but with one proviso. For too long we have been operating with interim measures and we have not had what we require in the way of a long-term sustained structural policy for the long-term benefit of the industry. How can fishermen really plan for the future when they are working from six months to six months on interim measures. They do not really know what the Community is going to require of them. Yet agreement was reached at the Hague in 1976 on the need to maintain existing fishing communities, because they are, of course, highly useful people within the Community, and very very necessary for the production of fish. And of course they are most practical and hard-working a people as well.

Therefore, Mr President, we do need a long term measure and we must have it before long. We believe that the Committee on Agriculture amendment that is put forward raising the measurements required from 24 metres to 30 metres, is wrong. We believe that, if we are going to have a fishing policy that it is likely we must restrict it to 24 metres, because otherwise we are going to be assisting boats that may be marauding trawlers and cause long-term disadvantages to the Community fishing policy. Therefore we will be voting against the amendment proposed by the Committee on Agriculture but we will be supporting the Commission's proposals, even though they are interim.

President. — I call the Group of the European Progressive Democrats.

Mrs Ewing. — I wish first, Mr President, to thank Miss Quin for her work and her serious approach to this very important problem. I should like to take one or two points from it which I think have not been taken up and agree with her remarks about the control of national aids. This is one of the burning concerns often expressed by fishermen if they think that the fleet of another Member State is operating at some unfair advantage, be it fuel subsidies, cheap money from banks — and we have had positive information on that in an answer to me from the late Commissioner Gundelach — or subsidies to boat-building. So I welcome that part of Miss Quin's report.

I should like to support Mr Provan's remarks about the length of vessels, and therefore I do not need to rehearse that matter. I may say that that is the view that was put to me by the Scottish Fishermen's Federation, and I would just like to put that on the record today.

I am pleased also that the boat-building industry is being taken into account, as it is an integral part. It is up against Norwegian competition, where we know the Norwegian Government is subsidizing the industry; many of our yards are facing threats of closure and it is a very serious matter, because this is part of the integral life of these fishing communities. We look forward to longer-term structural schemes for vessel construction.

I would thank Miss Quin for her reference to paragraph 6, because I take exception to this phrase 'Northern Britain' for a number of reasons. The first is the question of clarity. You can see the mess the French text has got into over it. I think it is not sensible to have one phrase used for agricultural schemes and a different phrase used for fishing. But my main objection is that it simply is not clear what is meant. Some elaboration would be necessary before I could vote for this paragraph and I have requested a separate vote; but I would happily withdraw that request if the Commission could say that they will take Miss Quin's remarks into account. I did try to table an amendment but it was not in order, because we cannot delete paragraphs now.

Really, what I am saying is this. If Scotland and the ports Miss Quin mentioned are intended to be referred to, let us refer to them. If only Scotland is intended, let us refer to it. If Scotland, the English ports mentioned and Northern Ireland are to be referred to, let us refer to that. Because the phrases 'northern parts of the United Kingdom' or 'north Britain' are confusing. Moreover, they have had a rather chequered career, Mr President, because at one time, when Scotland and England entered a common market in 1707, they tried calling England 'South Britain' and Scotland 'North Britain' and it did not work. Nobody liked the phrases, so I think it is time to leave them behind us and not to use them, because they are not clear.

President. — I call the Commission.

Mr Ortolí, Vice President of the Commission. — (FR) Mr President, I should like to thank the Committee on Agriculture, and particularly its rapporteur, for the positive and forward-looking report it has made on the Commission's proposal. When drawing up our proposals for a long-term structural policy over several years, which has been on the Council's table since July 1980, we have already taken account of most of the remarks of a general nature contained in the report. Moreover, we fully share the rapporteur's

Ortoli

concern about the adoption of a series of measures to supplement the action we have taken with regard to restructuring of the fishing fleet, such measures as the development of a social policy, the establishment of a close link between increased fishing and the availability of financial resources and the incorporation of national aids into the fishing sector. We have set out clearly our ideas with regards to the measures that might be envisaged for setting up a long-term structural policy and the Commission has been firmly supported by Parliament, particularly in the report drawn up by Mr Kirk.

As far as Parliament's proposed amendment to this proposal is concerned, the Commission feels that it would not be appropriate to try to extend the field of application and the scope of this interim measure.

We must not forget that the object of this measure is to ensure a certain continuity in the granting of Community aids to those who are most in need of them, that is to say, the coastal fishermen in certain regions of the Community, and that this is being done while we are waiting for the Council to adopt a more general structural policy. From this point of view the extension of Community aid to boats of a length exceeding 24 metres, without increasing the overall amount of aid which, as the rapporteur has pointed out, is already limited, would only mean, in fact, lessening the impact of the effort being made by the Community on behalf of coastal fisheries.

With regard to the request that the Commission should publish the criteria it intends to apply in selecting the projects that might benefit by Community aid, we feel that those members of the fishing profession who are interested in approaching us will be able to get a sufficiently clear indication from Articles 3 and 4 of the regulation of the objectives and the priorities we have set ourselves in granting financial aid. I would remind the House that the ultimate objective of all our efforts is to work towards a rationalization of production, raising the level of employment, improving working conditions and bringing about a greater degree of diversification in the fishing sector.

With regard to Mrs Ewing's speech, I have taken careful note of the points she has made. We shall be looking into what can be done in this area, but I do not have any ideas that I could put forward immediately on this point.

Finally, I should like to remind the House that in the matter of aids, the Commission is not acting on its own, but that requests must first go before the national administrations and that proposals for the granting of aid are then submitted to the Standing Committee on Fishing Structures for its opinion. As soon as the multiannual regulation is adopted, the Commission will then obviously be in a position to lay down annual

guidelines which will be determined by, amongst other things, the volume of resources available.

President. — I call Mr Battersby.

Mr Battersby. — Concerning the Swedish regulation, Mr President, I understood that this is to be a joint debate. You did not call the rapporteur for the Swedish regulation. The rapporteur, Mr Kirk, is not here and I would like to take over the rapporteurship in order that we may go through the correct procedure and protocol.

President. — Mr Battersby, we do not have a report nor a rapporteur.

The debate is closed.

(Parliament adopted the various texts)

6. Ireland

President. — The next item is the report by Sir Henry Plumb, on behalf of the Committee on Agriculture, on the proposals from the Commission to the Council (Doc. 1-360/81) for

- I. a regulation on a special programme concerning drainage operations in the less-favoured area of the West of Ireland
- II. a decision on the level of the interest rate subsidy provided for by Directive 72/159/EEC on the modernization of farms, to be applied to Ireland.

I call the rapporteur.

Mr Früh, deputy rapporteur. — *(DE)* As far as the first part of the report is concerned, Mr President, you will be aware that it gave rise to a rather lively dispute in this House. The reason for this was that environmental considerations threatened to force the discontinuation of a programme that had been operating for a number of years already and was now to be completed by means of an additional subsidy. Now that certain questions have been cleared up in this House and that the Commission is also perhaps in a position to give additional reassurances on this matter, I hope that all the doubts have been dispelled and that we can today adopt this programme, for which the Council has requested the urgency procedure.

The second part of the report deals with the question of reducing interest rates with a view to the modernization of agricultural holdings in Ireland. You will be aware of the serious difficulties with which agriculture

Früh

in that country has to contend, especially the low incomes and high interest rates. I feel therefore that we can approve this proposal, especially since one consideration, which I feel to be a very important one, emerges clearly from it, namely, that in the structural sector agricultural policy operates special programmes for particular regions.

The Committee on Agriculture has adopted both parts of the report by an overwhelming majority, and I should like to recommend them to the House for its approval.

President. — I call the European Democratic Group.

Mr J. D. Taylor. — Mr President, I would like to make a few comments on this proposal to aid the agricultural industry in Ireland. When we debated this issue several months ago, Parliament decided in a resolution that the Irish package should benefit farmers in the Republic of Ireland and farmers in Northern Ireland, but I find today that in the regulation presented by the Commission there is no reference to Northern Ireland. And therefore on this occasion I regret that I will have to abstain when this is presented for approval by the House.

However, I am glad to say that the Plumb report, supported by the Committee on Agriculture, has in its resolution added paragraphs Nos 11 and 12 which do ask that the benefits of this regulation should be extended to Northern Ireland. This is only right because the fall in incomes of Northern Irish farmers last year has actually been greater than the fall experienced in incomes of Southern Irish farmers.

I well remember some months ago in a similar Irish agricultural debate that two Members from Southern Ireland, Mr Maher and Mr Clinton, quite rightly stressed that it was wrong to aid one part of Ireland and not the other because that created distortions in agricultural trade along the border. I must warn, Mr President, that there is a scandal along the Irish border — a scandal which will be brought to the attention of the public in Europe later this year in a report. There is large distortion due to EEC agricultural policies and this is already allowing the fraudulent use of at least 10 million pounds of EEC money. It arises from the smuggling of butter, barley, sheep, cattle and pigs and is damaging our own pig processing industry in Northern Ireland. I am sorry to say that much of this smuggling is now under the control of the Irish Republican Army terrorists and their sympathizers who are actively involved in controlling this illegal trade in agriculture across the border and who are benefiting financially from some of the 10 millions pounds presently being stolen from the EEC.

Now, Mr President, these distortions can certainly be overcome. Firstly, we can have a temporary stoppage

of MCAs on the movement of livestock in Ireland until the problem is resolved.

Secondly, the United Kingdom Government should take immediate action to make illegal the sale of butter in Northern Ireland packed in Imperial packs.

Thirdly, and this is where we come to today's motion, we can give EEC aid to the grain industry in Northern Ireland because, if we look at paragraph 11 of the Plumb report, whilst it does say that the scheme should be extended to Northern Ireland, it also says that production patterns and structures are similar in both Northern Ireland and the Republic.

Now those involved in agriculture in Ireland know that that is not true. The structure of agriculture in Northern Ireland is in many respects very different from the Republic. We have for example a fairly large intensive sector in poultry and in pigmeat while there is no similar sector in the Republic of Ireland, and it is suffering at the moment from distortions. I have spoken to the Ulster Farmers Union and whilst they would certainly like to see the benefits of the schemes before this House today being approved for the Republic of Ireland, they would also like to see a similar amount of money being used more sensibly in Northern Ireland and perhaps directed towards helping the intensive sector.

On that basis I am delighted to support the report in the name of Sir Henry Plumb, but I regret I must abstain on the matter of the Commission's regulation.

President. — Before giving the Commission the floor I should like to make a statement.

I have just had a few words with Mr Pannella, and I told him that the list of speakers is closed. We shall never be able to get through all the items on the agenda this morning — and certainly not the budgetary debate — if more and more speakers wish to be entered on the list of speakers. Mr Eisma and Mr Paisley have yet to speak. They close the list of speakers for the whole of this morning.

I call Mr McCartin.

Mr McCartin. — Mr President, I want to make a protest to you that this debate, which is a very important debate, should be conducted according to procedures which are different from the procedures followed in earlier debates this morning when the speakers' list was open. I understood this morning that there would be no debates whatever here, and that this would be accepted and agreed. But now that it is accepted that there will be a debate I think it is unreasonable that our group should be deprived entirely of

McCartin

an opportunity to contribute, even for two or three minutes, because important issues have been raised here . . .

President. — I wish to discharge my duties as President. I intend to put to the House the proposal to close the list of speakers.

(The proposal to close the list of speakers was adopted)

I call the Commission.

Mr Pisani, Member of the Commission. — *(FR)* Mr President, we have here a single problem with a twofold solution. The position of Irish agriculture is difficult for a number of reasons. It is proposed to cope with these difficulties by, on the one hand, launching financial measures aimed at reducing the interest payable on loans and, on the other hand, a drainage programme.

There is one thing that should be stressed with regard to the first point, and that is that the conditions under which Irish farmers can obtain loans are made particularly difficult by the fact that the rates of interest payable on loans can vary greatly and also that the harsh reality of the present banking system puts out of the reach of farmers banking loans that might possibly be available to them. This then is the reason why a scheme for reducing interest rates is being proposed.

The second solution we have in mind consists in embarking on a supplementary programme to drain a further 125,000 acres of land. One of the ways of increasing substantially the yield from land in this area is to improve the drainage system, and the results obtained from our first programmes of this kind have been very encouraging. By simply draining the land, even without earth-moving operations of any kind, it has often been found possible to achieve marked increases in income and to save a large number of agricultural holdings. From a practical point of view therefore there seems to be no problem. However, two questions have been raised to which I should like to reply.

The first question deals with extending these measures to Northern Ireland, since they are, in fact, specific measures intended primarily for the Republic of Ireland. I should also like to stress that in the case of a certain number of drainage programmes crossborder projects have been launched which will undoubtedly be further developed and will go a long way towards allaying the concern of the Members who have spoken on this point.

The second problem which has been raised — and it is a problem that goes far beyond the shores of Ireland — is the way in which drainage can affect the ecosystem. The existing water drainage system in any place is obviously part of a balance in nature that is

closely linked with the migration of birds, and changes to the ecosystem can lead to disaster which, while perhaps not immediately apparent, can over a long period of time become irreversible. Even though it is a particular case and the problem raised is of a general nature, as well as in order to retain the spirit of the amendments that have been tabled by a number of Members, I should like to suggest that all the amendments that have been tabled should be replaced by the following text — and I know you will forgive me for not having had it distributed; a number of Members will already be acquainted with its contents — ‘Article 2 to be completed by the addition of the following text which would replace the amendments: the programme should include an assurance that the measures envisaged are compatible with the protection of the environment. Studies must also be made on the impact of drainage operations on the environment’. What we are doing therefore is to take advantage of a particular case in order to map out a method that can be applied to all European programmes for the defence of the environment which might be threatened by drainage operations.

Finally, I should like to address some remarks to Mr Taylor. Just now he has made a serious accusation against the common agricultural policy. He has even seen fit to use the word ‘scandal’. I take it that he is sufficiently master of his own language to have weighed up very carefully the connotations of this word. I would merely say to him on behalf of the Commission that if and as soon as the Commission is provided with actual case histories and incontrovertible facts, it will use all its powers and all the means available to it to see that an end is put to practices of the kind alleged.

These therefore, Mr President, are the conditions under which I would propose that the text submitted to Parliament by the rapporteur, Sir Henry Plumb, and by Mr Früh, together with the amendment I have suggested, should be adopted.

President. — I call Mr Eisma.

Mr Eisma. — I shall be very brief. I am glad I put my name down yesterday evening on the Speaker’s List so that I may now address you.

The consequences for the environment of a number of measures financed by the Agricultural Fund are very considerable. The Commissioner has already referred to this general problem. The same is true of measures that have been taken within the framework of the Social Fund and the Regional Fund. Identification of such harmful consequences, and action to combat them, is of the greatest importance. In the course of a visit to Ireland by the Committee on Regional Policy and Regional Planning during my previous parliamentary term I had already pointed to the disadvantages

Eisma

for the environment which certain aid measures might have. Drainage works in West Ireland, for instance, would clearly cause some damage to the environment. In itself it is a good programme, but damage to the environment must be avoided. Consequently the amendments tabled provide us with a very good opportunity to prevent such damage. It is not wholly clear to me whether the Commission's proposal for the adoption of an extension has the approval of the amendments' author. I should like an answer on this. Unless we make a vital about-turn the disadvantages of these drainage works will be greater — particularly in the long term — than the advantages. I would urgently ask Parliament, by adopting the amendments, to make this project a worthwhile one.

President. — I call Mr Paisley.

Mr Paisley. — Mr President, Sir, I would assure the colleagues from the Republic of Ireland that I am voting in support of Sir Henry Plumb's motion. I understand how they feel today that no spokesman from the Republic is able to take part in this debate, but perhaps they will appreciate that both Members present from the North of Ireland are speaking in support and perhaps that that will put some ointment on their wounds.

I want to make some remarks relative to the farmers of Northern Ireland, and I believe I shall carry the Members from the Republic with me in these remarks. It is not absolutely true to say, as paragraph 11 of this resolution and paragraph 4 of the May resolution say, that Northern Ireland and the Republic of Ireland form a single agricultural unit in terms of production patterns and structures. While we have definite parallel interests, it is nonetheless a fact that in certain areas we are diverse and in competition. While welcoming anything which can aid Northern Ireland's agriculture, I find one aspect of this approach in the resolution totally irksome, and that is the notion that that which does the Republic of Ireland will do Northern Ireland just fine. Here, of course, the British Government, with its complacent attitude to Northern Ireland, is primarily to blame: it should be initiating proposals for Northern Ireland in its own right. Northern Ireland's agriculture on the merits of its own case deserves attention from the EEC, and not merely as an afterthought to measures for the Republic.

This Assembly should also be aware that it is not absolutely accurate to say in paragraph 12 of the resolution that Northern Ireland faces merely the same difficulties in the agricultural sector as the Republic. The irrefutable truth is that we face much greater difficulties. Our farmers' loss of income has been dramatically greater in Northern Ireland, with total net profits for 1980 amounting to a mere 9 million. Our borrowing is much greater, with 187 million currently owed by the farmers of Northern Ireland to the banks. Compare

that with their 9 million net profit and you see the immensity of this problem. We in Northern Ireland, unlike the Republic, have no existing interest-rate subsidies to assist the farmers; rather they pay crippling interest-rates of around 20% without assistance, so in every way the plight of the Northern Ireland farmers is tremendous and therefore can only be described properly, not as the same as that of those in the Republic, but worse. That being so, its need for assistance is greater.

We also have our drainage problems. While much has been done in this sphere, we still have one large outstanding scheme in the Lagan basin which needs attention. I refer to an area which stretches approximately from the town of Lisburn to Magherinno. It is my hope that if anything ever comes of these proposals, this scheme may benefit. Will the Commission now give an undertaking to introduce as soon as possible similar proposals on interest-rates for Northern Ireland?

President. — I call Mr Collins.

Mr Collins. — Mr President, in view of the Commissioner's very generous compromise offer which we discussed with the Commission yesterday, I think I can say quite safely that it would be very acceptable to the signatories of all the amendments if we were to withdraw them.

President. — I call Mr Früh.

Mr Früh, deputy rapporteur. — (DE) I am very pleased with this decision by Mr Collins and I thank him for it, as it makes our proceedings so very much easier.

On the other amendments I may perhaps say this. Amendments Nos 1, 2 and 3 came before the committee and were rejected by a majority vote. Since the Commission itself has now made this offer, these amendments could perhaps also be withdrawn, as they deal with the same matter. I at any rate should be very glad if they were withdrawn. If not, we would have to reject them.

President. — Having heard what Mr Früh and Mr Collins have had to say, I should now like to know which amendments remain to be considered.

I call the Commission.

Mr Pisani, Member of the Commission. — (FR) It seems to me that there is only one amendment left — that which I tabled on behalf of the Commission and which was along the lines of the amendments that had been tabled and have now been withdrawn.

Pisani

The only amendment on the table therefore is the Commission's.

President. — I call Mr Früh.

Mr Früh, deputy rapporteur. — (DE) Mr President, Mr Pisani has read the amendment; I have heard it and am in agreement with it. It is just that I was not quite clear on whether all the amendments had been withdrawn. There are no problems therefore, and I am fully in agreement. We may proceed to the vote.

(The President noted that all the amendments had been withdrawn)

President. — The debate is closed.

I shall now take explanations of vote.

Mr Arndt. — (DE) Mr President, now that the Commission has given its undertaking on the environmental measures to be taken and that this has been agreed to by the House, this problem, which has been hanging over our heads for the entire week, has been finally laid to rest. On behalf of the Socialist Group therefore I can state that we are now happy to vote in favour of this proposal on drainage measures in the West of Ireland. One month ago my Group spent some time in this area and was in a position to observe on the spot some of these measures being put into operation. We were very favourably impressed and above all came away with the very vivid realization that this was one part of Europe where something absolutely had to be done.

However, I should like to avail myself of this opportunity, Mr President, to make a request of you. In future, when the Bureau is deciding which reports are to be assigned to which committees as the committees responsible, could you see to it that a greater effort is made to ask the Committee on the Environment for its opinion in all questions that have to do in any shape or form with environmental protection? In this way the House and the Bureau could demonstrate that for us environmental protection is not just a peripheral issue but an essential component of every policy that we here in Europe are pursuing. The positive outcome of this week-long debate — and in this connection I should like particularly to thank the Commission for its consideration and understanding — puts us now in a position to vote in favour of the report.

Mr Collins. — Mr President, I certainly took part in the fuss that was created yesterday on this, and I have

asked for an explanation of vote largely to explain to the House how all of it came about. We made the fuss yesterday partly because we felt that this proposal was coming to the House with unnecessary haste — unnecessary not so far as implementation is concerned but because, frankly, we felt the Commission could well have consulted us long before they did and because we objected to the Parliament's being forced into making an urgent decision on something which had been in the pipeline for a long time. We also wanted to kick up a fuss because of the point that Mr Arndt has raised, that is to say, the failure to consult the appropriate committees.

Now, we did go to Ireland earlier this year. We know about the abject poverty that is there, and we feel an urgent need to do something about it. To that extent the support for such measures as we can squeeze out of the Community has got to be given. But against that, we are also aware that there is something of a contradiction in the way we spend money to drain areas in order to produce food which then goes into surplus which we then have to pay for. There is something of a contradiction in the way in which the Community engages in this, because what we are doing in fact is destroying wildlife habitat in order to create food that we do not use and we do not need and which costs money.

On the other hand, we have seen today the Commission coming forward with a very constructive proposal indeed, and I would describe this as a major breakthrough in the way in which environmental measures relate to agricultural measures in the Community. It is an example of how this Parliament can influence things, and I think it is ironic that it should come on the day after one of the British newspapers, after a typically superficial and shallow analysis of what this Parliament does, should say that we are never able to influence anything. Mr President, I would say that this is a major breakthrough and I hope that the editor of the Daily Mail will take note of it.

Mr Lalor. — I am glad to have the opportunity, even by way of explanation of vote, to comment on what has already been said on this issue. There is no problem from my point of view, naturally, in supporting this particular resolution, and I am very pleased that we have got over the difficulty of the objections from the environmentalists. We do have enough shooting in Ireland, Mr Collins, and I would hate to think that you feel that, because of over-production of food, the island of Ireland should be maintained as a sort of wildlife sanctuary and a shooting ground for the rich of Europe to come over and use. I hope that we are not going to allow that impression be created, particularly by a British Socialist.

Let me say that I was pleased that Mr Paisley is joining with us in the south in supporting this resolution, and I

Lalor

am very sympathetic towards him when he complains about the fact that the British Government has a complacent attitude towards the farmers in the North of Ireland. I want to assure Mr Paisley and his colleague Mr Taylor that if they were under the jurisdiction of an Irish Government they would benefit from exactly the same subsidies as the farmers in the south. Our attitude towards them is in no way complacent.

I just wanted to make this point in view of the fact that Mr Paisley felt that the South of Ireland might not be able to have their views heard, and I am pleased to have had this opportunity by way of an explanation of vote.

Mr McCartin. — Mr President, thank you very much for the opportunity and I want to thank the House for its co-operation on this matter which is important to the people in the part of the European Community from which I come. There are one or two issues I should like briefly to touch on, and the first is the question of the environmental involvement. I think that the reaction of this House to the question of drainage in the west of Ireland is an indication of how little is actually known or understood in this House about the problem itself or the means we are using to solve it. I think we should recognize that the vast majority of this money is not being spent on changing marshland into land for agricultural production. It is spent on improving the quality of the grass and the herbage that grows on that land and will not have a very profound effect on the wild life habitat. As one who has worked at this job of land reclamation I can assure you that it is not the case that vast changes are being made to the facilities that are available to wildlife in this region. Very little marshland is actually being reclaimed. I want to say that I have observed in my own time much more danger to wildlife by the change from one crop to another in various regions, and I would say that throughout Europe at this moment much more damage is being done to wildlife by changing from one crop to another in different years than there is being done in Ireland through the land reclamation.

The final point I would like to make on this is that we will not solve this problem until we educate the ordinary people and give them a true appreciation of what is involved here. We will not do that by putting pressure on them or by disrupting projects already under way. We must be terribly careful because it is the education and goodwill of the people involved that, in the end, will determine whether we really appreciate and preserve our wildlife. Where there is one man on every fifty acres of land, he has it in his hands to cooperate or not.

(Parliament adopted the various texts)

7. Hops

IN THE CHAIR: MR POUL MØLLER

Vice-President

President. — The next item is the report by Mr Bocklet, on behalf of the Committee on Agriculture on the proposals from the Commission to the Council (Doc 1-340/81) for a regulation laying down, in respect of hops, the amount of aid to producers for the 1980 harvest (Doc 1-392/81).

(The proposal for a regulation and the resolution were adopted)

I call Mr Clinton.

Mr Clinton. — Mr President, I just wanted to speak on a point of order. Twice this morning I asked to be allowed to express the point of view of the Christian-Democrats, the second biggest party in the House. I was refused, and twice I sought to give an explanation of vote and I was again refused. I wish to protest very strongly about this and the fact that it has taken five minutes or more to put my point of order. The man who just left the chair refused to allow me to make a point of order and I have been waiting until now to speak.

President. — Mr Clinton I am not required nor do I feel called upon to pass judgment on my predecessor in the Chair. However, your remarks will be noted in the record and made available for my predecessor. However you can also give an explanation of vote which will also be reproduced in the record.

8. Fresh poultrymeat

President. — The next item is the proposal from the Commission to the Council for a directive amending Directive 71/118/EEC on health problems affecting trade in fresh poultrymeat (Doc 1-98/81).

I call the Committee on the Environment, Public Health and Consumer Protection.

Mr Collins, chairman of the Committee. — I only want to say that we have discussed it, we do not see any reason why there should be disagreement and we recommend, as a committee, that it should receive

Collins

total support. I think I speak for every member of the Committee on the Environment; there was no opposition at all. Had I been sure of this a little while ago I would have asked for this to be dealt with without debate. I do not think anybody would have wanted to speak.

President. — I call Mr Turner.

Mr Turner. — Mr President, I am not speaking on behalf of my group. I am just saying that in my constituency, where a great deal of poultry slaughter is going on, we are very concerned about this measure. We are very anxious to make sure that the costing on the inspection that is required by the EEC for poultry is uniform throughout the EEC. We are also very concerned to make sure that the method of inspection is more standard than it has been until now. We have been complaining for many years of this, and at last the Commission has done something. I am very glad that they are prepared to let this go through, although the Committee on the Environment has not considered it in detail.

There is only one thing I want to say and it is this. There have been repeated complaints from my constituency, and I think other places too, that the inspection as carried out by the national authorities is not uniform in all the countries. I do believe the only way one can cure the distrust of the system is to set up at some stage, — I hope not too long in the future — a small unit which would invigilate national inspection in the various countries.

A small unit under the aegis of the Commission itself; so that one could complain to it and it could immediately go and see what has gone wrong and put the matter right and make reports when people think that they are being unfairly discriminated against in the matter of poultry inspection. I would only say to the Commissioner that this has already been agreed in principle for the fishing regulations when they come into force. There will be an international inspection, a small one, which will be able to go from one national inspectorate to another and ensure that the rules are applied evenly.

I would like to point out that, in a debate this morning on customs, the Committee on Economic and Monetary Affairs put forward the same proposal for customs. Very often customs officers in different countries carry out the same procedures in a different manner and there are many complaints particularly in my constituency again about the slowness of British customs, and I do urge on the Commissioner to give serious thought to some way of making sure that the carrying out of the regulations he is putting forward on poultrymeat inspection are actually uniform throughout the EEC as they are carried out by the National authorities and I would very much like him

to say something to encourage my farmers, my slaughterers and also the meat inspectors themselves who have all complained for so long that each country goes its own way.

President. — I call Mrs Poirier.

Mrs Poirier. — (*FR*) Mr President, producers of goose liver in my region in the South-West of France, as well as all poultry farmers, have good reason to feel a deep distrust of the derogation to a directive that we are discussing, which was adopted in 1980. This change of direction by the Commission at that time was a sore blow to them, but it was dictated mainly by the need to update the directive.

The fact is that the 1971 directive was completely unworkable for lack of adequate structures, and it cost the Commission nothing to extend the period of its validity. However, its objective remains the same and, in fact, it is even spelled out more clearly in the new text that we have before us. What is actually intended is to wipe out completely the production on the small family farm of a product which ensures the survival of thousands of agricultural holdings. The idea is to make this production the exclusive monopoly of factory farms and agricultural and food processing industries, without any guarantee, moreover, that the quality of the product will remain the same. In other words, the Commission reiterates the prohibition for 1986 on the slaughter of poultry on the farm and on small local markets. In the immediate future it imposes on the Member States the obligation to enforce meddlesome spot checks designed to prepare the ground and to create the necessary structures for delivering the final killer punch in 1986. The particularly serious and significant aspect of this entire affair, however, is that the producer will be obliged to bear the entire costs of this change, and that would be absolutely insupportable.

I should like to make it quite clear once again that no producer is going to swallow the arguments that would try to persuade us that the proposed measures are dictated first and foremost by considerations of health. They are economic measures designed essentially to cut down the number of farmers and to introduce an industrial-type concentration into agriculture.

The producers are not opposed to modernization of their production, but their views must be listened to and taken into consideration and they must be helped to defend their own interests. That is for us the only acceptable solution. The Commission does not see it that way.

President. — I call the Commission.

Mr Pisani, Member of the Commission. — (FR) Mr President, I should like to make two brief remarks. The first is that inspection is in itself a very good idea, even though it must inevitably encounter some difficulties. The first of these is the budgetary difficulty, and the second stems from the possible approach to it of national governments. This is not to say, however, that the Commission will not study this suggestion and bring it back to Parliament to have it further debated. My second remark is to say to Mrs Poirier that the object of the document that has been put before us for our consideration is none other than to prolong for one year certain derogations to the basic directive. These derogations will, in fact, give family farms that do not fully meet the conditions laid down in this directive a further year to enable them to adapt themselves to the terms of the directive. I fear that the analysis she has given stems from an inaccurate interpretation of the document's intentions.

9. Pre-accession aid for Portugal

President. — The next item is the report without debate (Doc. 1-266/81) by Mr Tuckman, on behalf of the Committee on Budgets, on the proposal from the Commission to the Council (Doc. 1-131/81) for a financial regulation on the application of the agreement in the form of an exchange of letters between the European Economic Community and the Portuguese Republic concerning the implementation of pre-accession aid for Portugal.

(Parliament adopted the various texts)

10. UN Conference on the least developed countries

President. — The next item is the report without debate by Mr Cohen, on behalf of the Committee on Development and Cooperation, on the communication from the Commission to the Council on the UN Conference on the least developed countries (Paris, 1-14 September 1981) (Doc 1-330/81).

(...)

Paragraph 1 — Amendment No 1

Mr Cohen, rapporteur. — (NL) I am against because this is a pretty illogical amendment. I have referred in my resolution to the state-trading nations and the OPEC countries because they have not so far been present at the preparatory discussions for this Conference. But the same is not true of the OECD countries; they have so far shown signs of great interest in this Conference, and it is therefore somewhat illogical to

refer to them in the resolution. I would therefore propose that this amendment be rejected.

(...)

After item 7 — Amendment Nos 2 and 3

Mr Cohen, rapporteur. — (NL) I am against these amendments, Mr President. We have already adopted a resolution on world hunger, in which reference was made to agricultural problems. This Conference is concerned with far more than agriculture and it seems to me somewhat paternalistic that we should direct the least-developed countries to concern themselves exclusively with agriculture.

Mr C. Jackson. — Mr President, I should like to request a split vote on Amendment No 2 which seeks to add two paragraphs. Can we vote first on 7 (a) and then on 7 (b)?

(...)

Paragraph 17 — Amendment No 5

Mr Cohen, rapporteur. — (NL) I am against, Mr President.

(...)

Item 19 — Amendment No 4

Mr Cohen, rapporteur. — (NL) Nothing was said in committee about the content of paragraph 19, at least not in this form. As rapporteur I can only say, therefore, that it would not be acceptable to the committee, but I personally could accept this amendment; I shall therefore abstain.

(...)

President. — I shall now take explanations of vote.

Mr Pannella. — (FR) Mr President, for the past 18 months our Parliament has been practically unanimous on the matter of development. From British Conservatives to Italian Communists, and even including my colleague, Mr Cohen and many others, everyone is in agreement. They vote in favour of impressive documents, at least on documents with an impressive number of pages. They say all the right things, but I feel, Mr President, that they are saying them in order the better to gloss over the fact on important matters even the left wing of this Parliament has folded its arms and is passively following the policy of the right wing in the matter of development and the struggle against hunger.

Pannella

In order therefore to continue to stress the differences between our position and that of practically the entire Parliament, Mr President, we make a point of regularly tabling amendments . . .

(Interruption by Mr Herman)

Yes indeed, Mr Herman, that passes your understanding, as do many other things. I cannot explain the matter to you right now, that would take too long.

In proposing these amendments, therefore, Mr President, we wish simply to spell out clearly our position. We shall abstain in the voting, because this motion for a resolution by Mr Cohen is just as barren and futile as the one previously adopted by our Parliament.

(The resolution as a whole was adopted)

President. — I call the Commission.¹

Mr Pisani, Member of the Commission. — *(FR)* I should like to say very briefly, Mr President, that the coming summer will be a very important one for the entire question of development and for relations between the developed and developing countries. The conference to be held in Paris this summer will play a particularly important part in grappling with the problems of the least advanced countries, which are also the very countries towards which we feel the most ardent solidarity. We shall leave no stone unturned to ensure that this conference is successful and that it is followed by practical commitments and a deployment of additional resources in the struggle against hunger. It is in this spirit that I should like to thank the Committee on Development and Cooperation, and particularly its rapporteur, for the effort they have made to throw light on this problem and for the excellence of a report upon which we shall be basing our efforts.

11. *Budgetary aspects of the European Schools*

President. — The next item is the report without debate by Mr Kellett-Bowman, on behalf of the Committee on Budgetary Control, on the budgetary control aspects of the European Schools (Doc. 1-345/81).

Written explanation of vote.

Mr Edward T. Kellett-Bowman. — As this report is to be taken without debate may I formally declare an interest? I have two sons attending a European school!

(The resolution was adopted)

12. *Preliminary draft budget for 1982 (Continuation)*

President. — The next item is the continuation of the debate on the statement by the Commission of the European Communities in the preliminary draft general budget of the European Communities for 1981.

I call the Communist and Allies Group.

Mr Baillet. — *(FR)* Mr President, yesterday I asked to speak in the debate on the preliminary draft budget for 1982. However, I must state that, since the discussion has come so late in the session I shall have to be brief. This is something I regret since I had a lot to say and I am now forced to curtail my remarks as much as possible.

I just want to make two points. The first is that there are two things in this budget which have clearly not changed. The first is that the relative value of EAGGF Guarantee Section appropriations have again fallen by a little under 2%. As a result the common agricultural policy continues inexorably to be called into question and one can in fact say that we are continuing the agricultural policy which the majority of this House desires. The second point, which should be evident to everyone, is that the appropriations for the measures to aid Great Britain entered following the decision of the Council of 30 May 1980 are very high. In fact the commitment appropriations and the payment appropriations have increased by about 2.5% over last year which means that commitment appropriations for the United Kingdom now amount to 6.9% of the budget and the payment appropriations to 7.4%.

Consequently we are faced with an abnormal situation. I have made a comparison between the portion of the budget which the United Kingdom will receive back as a result of these measures and the portion of the budget devoted to social aid, energy, the environment or the regional sector. In fact the amounts are comparable and even higher. In other words the United Kingdom alone receives a percentage of the budget equal to that earmarked for structural policies whose improvement is demanded by all the groups. It is easy to understand that Mr Balfour found it a good budget. That was the least he could do. However I am very surprised that the representatives of the other political groups who spoke before me made no mention of the percentage of the budget earmarked for the United Kingdom . . .

¹ *Membership of committees: see the Minutes of this sitting.*

Baillet

The second thing I want to say before I finish is that it is evident that this preliminary draft budget in no way corresponds to reality since it does not take account of the conclusions of the mandate given to the Commission by the Council. Moreover the preliminary draft which we have received, the written preliminary draft, states that the Commission has not been able to include the conclusions which, pursuant to its mandate of 30 May — the Commission will submit before the end of June 1981. On Tuesday Mr Thorn communicated to us the Commission's policy conclusions on the mandate of 30 May. But yesterday evening, Mr Tugendhat informed us that he was not yet in a position to tell us what the budgetary impact will be — perhaps he will be able to do so in October, but it was much more likely that he will do so in December in a rectifying letter which we will have to discuss in the Committee on Budgets and then in Parliament itself.

For this reason it must be recognized that we shall not have a clear and exhaustive view of the 1982 budget which would enable us to pass an overall and definitive judgment on it until that time. In conclusion I would like to say that we regard the payment of large sums to the United Kingdom as the confirmation of what we have already said on many occasions in this Chamber, namely, that Mrs Thatcher's *coup de force* of 30 May 1980 will have grave and lasting repercussions. We can see it happening in 1982. I know that there are many unanswered questions concerning the preliminary draft for 1983, 1984 and the years following. These questions, as we unfortunately know, will cost millions of ECUs.

President. — I call the Liberal and Democratic Group.

Mrs Scrivener. — (*FR*) Mr President, ladies and gentlemen, I should like to confine myself to considering this budget from a political point of view rather than undertaking a detailed examination of the appropriations for the various sectors of the preliminary draft.

I should like to begin by asking what I regard as a fundamental question. What organization or undertaking could develop if it was obliged for many years to work with a rigid financial ceiling? It is clear that lack of progress quickly leads to regression. The European Community is no exception to this rule. Moreover, as Mr Thorn said a short while ago in this House, it is impossible to conceive of a Europe whose responsibilities are limited to 1%. Of course, particularly at a time when each Member State feels the need to cut back public expenditure, it is undesirable to increase further the burden on the European taxpayer. However, at the same time, the long-term budgetary estimates which the Community needs are impossible if there is a ceiling on resources. Nonetheless, in view of the current constraints the preliminary draft for the 1982 financial year which should be a dynamic and

hope-giving factor where European construction is concerned will in fact only produce a simple adjustment of annual rises in the EAGGF — Guarantee however, that within this limited framework, the Commission has, as a whole, respected Parliament's wishes.

In the case of the common agricultural policy there has clearly been a considerable slowing down of the rate of annual rises in the EAGGF — Guarantee Section. The rate of increase, which between 1974 and 1979 was 25% will only be 12.2% in 1982, which is a confirmation of the efforts made in the last two years. This action must clearly be continued by means of a better adaptation of the agricultural policy to the current situation. In the second place, where the structural funds are concerned, the increase in commitment appropriations is 40% for the Social Fund and 26% for the Regional Fund. The non-quota section of the Regional Fund is still far from occupying the place it deserves. We also regret that the budgetary lines for integration operations have only received a mere token entry although they fully deserve a substantial appropriation.

Finally, in the case of specific sectoral policies there has been an evident increase in the research, industry and transport sectors. At the same time one should not be misled by the figures, since all these sectors have, until now, only received extremely small appropriations.

This brings me to the principle adopted by the Commission of only entering appropriations where it is sure that it will be able to carry out the payments or to assemble in time the legal requirements. Although the budgetary procedure should not lead to the entry of appropriations which cannot be utilized, it should not, at the same time be a simple accounting exercise. It should be able to influence the development of common policies even if it cannot really create them. For this reason I wish to warn the Commission against what I would call self-censorship in the face of the inertia of the governments of the Member States.

Mr President, these are the few remarks which I wish to make on behalf of the Liberal and Democratic Group on the preliminary draft budget for 1982. I would add in conclusion that, as I had occasion to stress during the debate on the mandate of 30 May 1980, a link should rapidly be established between the 1982 draft budget and the proposal which the Commission will make within the framework of this mandate so as to ensure that our work can be effective.

President. — I call the Group of the European Progressive Democrats.

Mrs Fourcade. — (FR) Mr President, ladies and gentlemen, in associating myself with the remarks which my colleague, Mrs Scrivener, has just made, I wish to state that the 1982 preliminary draft budget presented by the Commission incorporates the idea of re-establishing budgetary balance at the expense of the common agricultural policy. The increase in the amount earmarked for agriculture has been limited to 12.8% which, in view of the fact that the level of inflation in 1982 in primarily agricultural country, represents a reduction in real terms. Non-compulsory expenditure has been increased by almost 30% in payment appropriations.

At the same time we welcome the effort made to restore vigour to social and regional policy, to energy, research, industrial policy and to transport. It should not be overlooked that, under Article 119 of the EEC Treaty, the Community budget is of its very nature an act of estimation and authorization. Consequently the fact of entering an appropriation, however large it may be, does not give to these actions a genuinely Community dimension.

For this reason we wish to issue a warning against the risk involved in weakening the common agricultural policy at a time when the most serious problem facing the world is hunger. Unfortunately tomorrow the boot will be on the other foot. Europe cannot stand aside from the struggle against food shortages in Third World countries. The instrument which the Community possesses must not be weakened. We must maintain the vigour and capacity of our agriculture. For this reason, in face of the constant rise in production costs, in the cost of oil and the growing inability to master inflation, the continuing drop in farmers' incomes in recent years must not be overlooked. The discouragement among our farmers and the waste of our most reliable resources are a threat to Europe.

For the same reason the establishment of goals or quanta-limiting production seems to me dangerous and to constitute a threat both to farmers' living standards and to Community agricultural capacity. Another cause of concern is the narrow margin of safety in the preliminary draft where income is concerned. The VAT rate is more than 0.95% and therefore dangerously near the 1% ceiling. This means that the remaining margin is little more than 606 million ECU, which is very little. The Community will very quickly absorb all of the available revenue and therefore be unable to meet its obligations. The exhaustion of resources is as inevitable as the future commitments in the area of compulsory expenditure.

At the same time the governments of the Member States are showing a frightening lack of foresight. Resources amounting to millions must be found. The procedures are long and complex. It is high time to take the matter in hand. What solution can be found in the short-term? The 1981 amending budget submitted by the Commission was able to save 520 million from

the EAGGF, Guarantee Section during the first six months of the year. What can be done with this sum? The logical thing to do would be to earmark it for agriculture. Why not envisage among the possible eventualities the setting up of a reserve for compulsory expenditures? This question should be examined in due course.

The cost of the payments to the United Kingdom, mentioned a moment ago, will again be very high this year — close to 1 billion French francs. This is a large sum of money representing 7.5% of the preliminary draft and is certain to be increased in the Council's draft. Clearly the appearance in budgetary nomenclature of financial transfers for the United Kingdom in the area of regional policy is a cause of considerable apprehension.

In conclusion I simply wish to draw the attention of the House to the need, in a period of austerity, for a realistic budget. We must therefore exercise considerable budgetary rigour particularly by refraining from entering in the budget appropriations which we know will not be used in the course of the year. Before concluding I also wish to stress the importance of ensuring that the 1982 budgetary procedure takes place in a climate of confidence and agreement with the Council since this House has no wish to be in a permanent state of conflict with the second arm of the budgetary authority.

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Bonde. — (DA) Mr President, when I look around me here, I find myself wondering whether this is a plenary sitting of Parliament or a meeting of the Committee on Budgets. Judging by the numbers present, it looks like a meeting of half of the Committee on Budgets. I shall therefore confine myself to just a few points, but first I would ask the government representatives here to note the select numbers present and compare them with the number who were assembled here yesterday when the matter under discussion was how to win more influence for Parliament with regard to, among other things, Parliament's and the Community's budget. When the debate is about the power struggle in general, everyone is present for the vote. When it is about actually exerting the influence they were so keen to win for Parliament yesterday, no-one turns up. The government representatives could well report that to their foreign ministers and national parliaments and bear it in mind when they come to take a decision on the fantasies of Union which were spun here yesterday.

Now to the subject of this debate. In the preliminary draft budget submitted by the Commission, one of the proposals concerns cooperation among the

Bonde

'folkehøjskoler' — this is the word used in the Danish text. If we turn to the French version, we find that what is probably meant is adult education. May I ask the Commission this: — Is the intention to establish cooperation between institutions of higher education like the *'folkehøjskoler'*? What kind of cooperation is to be introduced under heading? May I also ask: What are the facts behind this proposed 50% increase in appropriations for education? Can the Commission assure me that, when talks are held, the Danish Government will be able to prevent any project in the education field which, in its view falls outside the scope of the Treaty of Rome?

President. — I call Mr Fich.

Mr Fich. — (DA) The budget negotiations are among the most important matters we deal with in this House and this of course reflects the fact that at the end of the day what Community policy is chiefly concerned with is money. We see this in the Member States. What they are most interested in discussing is how much money they are getting and how much they have to pay out. For all the time we in this House may spend discussing principles, ideologies and visions of better things, eventually it comes to the budget procedure and then we find these principles are quickly set aside and we all follow a totally different line, for what really counts is money.

The clearest illustration of this was at the end of 1980, when we adopted some grand resolutions about food aid and two months later refused the extra appropriations for the food aid called for in our own resolutions.

So the budget is important, but it is also important to remember what it is we are discussing here. The budget is not all about the EEC's finances. Amounts transferred among the individual Member States are far larger than those transferred through the budget and all the talk about net contributions or net receipts is really about superficial phenomena and simply does not reflect the actual transfers among the Member States.

It is also important to remember that the funds which can be transferred through the budget between the Member States cannot correct the disparities which, as we know only too well, exist among the Member States. These funds are too small for this, and they would still be too small even if they were doubled or trebled. If disparities are to be corrected, it must be done through industrial policy, employment policy, it cannot be done through this budget.

It is also important to remember that, if the budget is to have any effect at all, it must be concentrated on specific sectors and up to now we have done this in only one sector, namely agriculture. In all the other

sectors for which money has been made available, we have effected a few minor corrections, but these have not really produced very many results.

With regard to the 1981 budget, I should like to comment on two points. The first is food aid. I consider the way in which the Commission is dealing with food aid this year a grave provocation. If one works out the figures very carefully, deducting export refunds, the amount proposed for food aid comes to 799 m EUA. This is a reduction of 12% on what was actually spent on food aid in 1980. At the same time the Commission proposes paying the United Kingdom 1 658 m EUA, that is twice as much, an increase of 78%. I ask: Is Mrs Thatcher really twice as much in need as the many millions of people who are starving? This is what the Commission's proposal will mean, and it is hardly likely to be improved once the Council gets at it.

The second point I should like to comment on is the question of agricultural expenditure. I think it important to note that in 1981 not only has it been possible to cope within the budget with the whole of the price increase which was adopted, but also over and beyond this to save 500 m EUA in the agriculture sector, Guarantee Section. All in all, just 1 000 m EUA out of the 12 000 m EUA that was authorized. This is an impressive saving. Perhaps it is not very obvious in the 1982 budget, but I have the impression that, by adopting this new approach, we have made a start on agricultural reform and it would appear that in 1982 again we shall have considerably greater control over agricultural expenditure that we have had in recent years.

My last remark concerns the VAT ceiling. This is a big area which is being considered in connection with the mandate of 30 May and naturally comes into the discussions on the 1982 budget. I think it important to note that, with the agricultural policy followed over the last few years — and provided this is continued, as I am confident it will be — the increase in agricultural expenditure will remain below the increase in own resources. So it is not agricultural expenditure, Guarantee Section, which could justify raising the VAT ceiling. One could argue in favour of raising the VAT ceiling only if one wanted to implement some other policy. So here is my question! Is there really a sound policy on which more money can be spent? As far as I can see, the regional policy is an impossibility. It is not viable, it is just a repayment mechanism. Take the Joint Research Centre. The JRC, as we all know, is working badly and producing meagre results. I wonder whether there is any sector in which one can justifiably consider spending more money. I believe there is not. I therefore consider that the whole debate on raising the VAT ceiling is totally out of date; there is no sound policy for which additional funds are required.

President. — I call Mr Konrad Schön.

Mr Konrad Schön. — (DE) Mr President, ladies and gentlemen, I should like first of all to say something by way of reply to the last speaker. Granted that we have the political resolve to carry out what has been discussed in the past few days in this House and supported by a majority in the House, we are then faced with the question of how we are to advance the cause of European unity if we do not make available the necessary budgetary resources to promote new and badly needed Community policies. We are assuming, of course, that programmes that can be more efficiently carried out at Community or European level will, in certain circumstances, take some of the strain off national budgets. It is clear that the whole problem of financial mechanisms will still be with us in 1982.

With the exception of a very few points, I agree with those who spoke on this matter yesterday — Mr Arndt, Mr Spinelli, Mr Notenboom and also Mrs Scrivener. Apart from certain modest entries, however — and I am addressing this remark to the Commission — this budget does not demonstrate any clear determination to reform budgetary structures or any political resolve to embark on new policies. We must insist therefore that Mr Tugendhat's promise to incorporate the conclusions of the mandate in a practical fashion into this budget before it is finally adopted will be kept and that the whole matter will be discussed by us in this House. So much therefore for a very brief general political statement.

Because of the shortness of the time at my disposal I should like to focus my remaining comments on one subject and one subject only, namely, steel policy. In the throes of a steel crisis I do not accept that we can simply content ourselves with a token entry in respect of the social and supplementary measures needed to overcome that crisis. My group continues to urge, as it did also last year, that we should make the necessary resources available, especially as we are now convinced that from the legal point of view there is nothing to stop us from siphoning off resources from the Community's general budget and into the operating budget of the ECSC. I cannot see therefore why the Commission is dragging its feet or raising new legal queries.

However, there is one question that I should like to ask the Commission. During the last few days I read an article in a German publication which claimed that there was some kind of friction between the Court of Auditors and the ECSC; there was mention of millions lost in banking deals and it was alleged that there was something dubious in general about the way in which ECSC resources were being handled. I am not in a position to pass judgement on this matter. However, gentlemen of the Commission, there is one wish that I would venture to express. Before such allegations are leaked from some department or other and before public opinion has begun to bandy around speculation on — and I quote — 'the chaos obtaining in the ECSC right in the middle of a steel crisis', should not we,

who after all have a special interest in resources for social policy in the steel industry, be given all the necessary information on the financial dealings of the ECSC and those who are responsible for them? It is perhaps rather naive of me to raise this matter, even though I have tried to check on whether it was the usual silly season stuff or vaguely slanderous comments on the part of the publication or whether there was some genuine basis for the allegations. In any case we should be allowed to ventilate the entire issue when we come to discuss the title on 'Aid to social measures in the steel industry'.

President. — I call Mr Newton Dunn.

Mr Newton Dunn. — Mr President, for me the preliminary draft budget for 1982 is a mixture of pleasures and disappointments, and I want to use my few moments to make some suggestions on the way the Council should act.

First of all, it is very good to see that the proportion taken up by agriculture continues to fall year by year, just as the European Parliament wanted it to do when it rejected the budget in 1979 and as my own national government wants in order that it can seriously think about lifting the 1% VAT veto. It is also very good to see the new presentation of the articles and the lines, which I think is thoroughly satisfactory. However, there are three considerable disappointments in the budget and I want to mention them briefly in rising order of shock and horror.

My first disappointment is that there is far too little spending deliberately directed towards helping small and medium-sized enterprises. Since these small businesses are the greatest source of new wealth and of the most new jobs, there should be far more positive efforts by the Commission to help this particular area of industry.

Secondly, it is horrifying to see that it is proposed to cut the internal disaster fund by half for the second consecutive year. If the Commission had the remotest feeling of what potential benefits the disaster fund could bring, they would rapidly change their tune. Article 690 is the crucial line and I urge them to think about it. If *they* had an earthquake or a flood, or the four horsemen of the Apocalypse rode through their lives, they would want sympathy and understanding and support and it would be nice to feel that the remote bureaucrats, as I am afraid too many of the citizens of the EEC think of Brussels, do care when a disaster strikes one's life. I know only too well the great disappointment felt in my own constituency when the remote people in Brussels showed that they did not care about the recent floods.

My third, and most important disappointment, is in Article 200 and I cannot believe that colleagues here

Newton Dunn

or outside the Parliament have yet studied the details. It proposes that 1982 appropriations for refunds on milk products shall rise by 24% compared with the 1981 preliminary draft amending budget, which reflects the current situation.

Mr President, why must refunds on milk rise by 24% next year? And then if you look at the line for co-responsibility levies, Article 207, you will see that the revenue from co-responsibility is forecast to fall by 16%. Taken together the rise in the cost of milk refunds and the fall in the revenue from co-responsibility mean that the Commission proposes that the burden on the taxpayer to pay for the dairy surplus in 1982 is to rise by over 37%, and I find that appalling and disgraceful. I believe it is an admission of abject and continuing failure by the Commission to act on the dairy surplus.

I therefore urge the Council to take out their knife and to cut very deeply into the EAGGF section, particularly into the Articles 200 and 207. Only in that direction, Mr President, can we finally move towards a better Community for all our citizens.

President. — I call Mr Tuckman.

Mr Tuckman. — I have three points and I think I can put them quite briefly. This ship strikes me as being similar to the Titanic: it was sailing through waters in which it was not usual, but possible, to find icebergs. If you struck one it would be disastrous. As far as I can see it is entirely feasible, and it may even be probable, that this much-talked-about limit to our resources will be breached. It is a very bad business that does not take some thought of what will happen to its employees, its customers, in fact to its total environment if such an eventuality, which is so near, should happen.

I have asked the Commission, I have asked various knowledgeable people in the Parliament whether there are any kind of emergency plans to cover this eventuality. Apparently the answer is that no-one knows; we just hope for the best.

That it is near is obvious. I understand that how much we have to pay out on these guarantees is at the mercy of the weather which can cause us trouble if it is too good, and it is obviously at the mercy of things like exchange control and market situations. Therefore, not only is the situation dangerous; it is entirely out of our control.

Therefore I think there are two points which need to be made. There is the principal point: ought this Community to have more funds? And there is the quite distinct point: how do we react to the people with whom we contract if by this kind of accident the limit is breached. That is my first point.

I am obviously taking those specific things which are worrying me rather than giving a general philosophical exposition. The Commissioner has for the third time in my short time here complained of staff shortages. I have no doubt it is true. I equally have no doubt, seeing with the purely roving eye of a consultant, that that Berlaymont place has got slack in it. Not in every department, but in quite a few, and you do not have to search very far.

I do think that the staff regulations, which prevent change, are bad regulations which have caused Europe trouble in its wider employment scene, and I think they need to be looked at even if they are anchored in all sorts of treaties and contracts. In the end, life does not look at contracts, it looks at realities, and we are remiss here.

I have every sympathy with the Commissioner as well as with the officials in this place. How can you go and talk about staff requirements in terms of x% extra staff if you have not studied that on which the x% is based? I think we are treating the subject like amateurs, and I do not think that becomes us.

I am also very much against that principle which claims that a person is entitled to promotion. Promotion, to me, has to do with there being a bigger job which requires to be done, and then if I have a person to put in, that is fine. But if the job is the same size as before, why promotion? I think that if you look at two quite different people, an ordinary workman and a dentist, they reach their maturity at about twenty-six, they stay at the same level and then in their midfifties, they get less strong and come down. I cannot see any justification for exempting our own people.

Then, finally, in line with my colleague Mr Newton-Dunn, can I instance two subjects where we still seem to be going quite mad. We are proposing that in the year about which we are now talking we are going to spend 587 million on supporting tobacco, which to me personally is a kind of poison, we are going to double the existing figure of 280 million. What justification have we to spend the taxpayers' money in that way on something that is apparently not wanted? And similarly, 332 million up to 629 million on sugar and isoglucose. Sir, the time is brief. I wish you a good holiday!

President. — I call the Committee on Budgets.

Mr Lange, chairman of the Committee on Budgets. — (DE) Mr President, ladies and gentlemen, we really should draw some conclusions for the future from the way in which Parliament has conducted its affairs this week. It has acted neither economically nor rationally. In fact, taking it altogether, the way we conducted our affairs here this week was absolutely chaotic.

Lange

I am taking the floor once again because I do not want anyone to go away and say that he could not figure out what line the European Parliament's delegation would be taking on 22 July when it met the Council for the conciliation procedure. As far as the conciliation procedure is concerned, the vital consideration will be the guidelines that we laid down in March for the 1982 budget, which oblige us all to see to it that no appropriations are entered in the budget unless they are (a) effective (b) designed to strengthen the Community's position in the various sectors and (c) quite clearly geared to spending the European taxpayer's valuable money as wisely as possible. We must therefore consider very carefully how the regional and social policies are to be financed in the future. In both these areas wholehearted cooperation between the Member States and the Commission will be absolutely essential. We must also examine how we can cut back on surplus production and consequently on the unjustifiably high expenditures in the agricultural sector.

The all-important thing then is that the discussion with the Council should be conducted at a high political level and not so much at the level of bickering over figures or sums of money. The Commission must be obliged — and Parliament's delegation will be trying very hard on this — to draw the appropriate conclusions from its answer to the 30 May mandate during these negotiations; I am not referring to the negotiations on Wednesday, the 22nd but the negotiations on the 1982 budget. The Commission must go into detail in regard to the agricultural policy and the unsuccessful regional and social aspects of the Community's policy. It must also, of course, spell out clearly how this Community's relations with the countries of the Third and Fourth Worlds are to be shaped and what form development aid is to take.

There is a further point that I should like to mention. In the budgetary year 1981 our path is certainly going to be smoothed by developments on world markets which make savings possible. We are also going to be favoured, as I am perfectly prepared to admit to the Commission, by an intensive and more thrifty management of the markets. This gives us an opportunity to spend less money in this year, and we must, of course, bear in mind that the Member States are also in similar financial straits.

As far as the rectifying budgets to be introduced here by Mr Tugendhat is concerned, it should first of all take account of Member States' interests and secondly put the Community in a position to deploy additional resources in a sensible fashion in the non-agricultural and non-economic sectors. In this it would be going some way towards meeting Parliament's original wishes.

That is therefore the line we shall be taking. We shall not argue for the inclusion in this rectifying budget of additional matters that were not originally asked for

by Parliament and that could possibly arise from further developments. We are not in a position and furthermore we are not prepared to ask for other things which cannot be spent rationally and sensibly. This will certainly be the case when we have, by means of the rectifying budget, come to an agreement along these lines with the Council on the points that have to be settled in relation to the 1982 budget.

I shall repeat what I said in the Committee on Budgets in connection with the reply to the mandate of 30 May. The Commission now has the opportunity to win back its position as laid down in the Treaties by carrying out the tasks associated with that position. It can also, however, lose everything if it does not take the appropriate action and if it does not bring forward the deadlines indicated in its reply to the mandate, in other words, if it does not put on the table by the end of this year the necessary accompanying proposals for the various policy sectors. This is one of the points that the delegation will be making very strongly.

There is one further remark that I should like to address to my colleague, Mr Schön. We have already had a meeting of the delegation and we shall meet again on the 22nd. On the question of social measures in the steel sector, this much at least can be safely said. If the Member States are prepared, under the terms of the ECSC Treaty, to themselves make available additional resources for social measures, we do not need to insist any longer that Article 54 of the budget be endowed with the appropriate resources. I say this only to indicate to you that there is no hard and fast position in this matter. Within the framework of the ECSC something can be achieved with additional financial resources from the Member States. From our point of view that answers the question, as far as the 1982 budget and also the rectifying budget for 1981 are concerned.

I wanted to put this remark on the record in order to make sure that colleagues who are not happy with what we have done can find it there. Nobody can say that anything was done behind his back. I would further say in parenthesis that anyone that is not here is caught on the wrong foot in any case and cannot complain that he had no chance to influence certain matters. In any case we are absolutely determined to approve of no superfluous expenditures, no matter what form they may take.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, although I shall not attempt to answer all of the questions which have been raised, the Commission will clearly take account of the opinions which have been put forward and which throw light on the way our discussions will continue, since we shall be meeting again in the course of the procedure.

Ortoli

I simply want to say something on two points. The first is that, with regard to the social aspects of the iron and steel industry, we attach the same importance as Parliament — as we have in fact shown — to taking the steps which have been envisaged for some time but which has been put off for too long. We have now reached agreement on policy. Mr Lange pointed out that it must still be given shape. Like him I am convinced that this must be done quickly, and I believe that we shall set about the task.

On the other hand, I wish to reassure Mr Schön on the point he raised when speaking of an article concerning the financial activities of the ECSC. It is clear that this article gives a false impression of the real situation where ECSC financing is concerned.

To begin with I wish to note — and this is something which should not be underestimated — that, because we are well managed we are regarded on the international markets as a body to which credit can readily be extended. The ECSC has not won this reputation by chance, and I am convinced that financiers know how to read balance sheets and to see the problems which an institution can encounter.

Secondly, we are so careful where this aspect of financial management is concerned that some years ago I set up an auditing system very similar to that which exists in private bodies of the same sort, with undertakings which are amongst the leading international firms in this area. Thus, in addition to the control exercised by the Court of Auditors and Parliament, we have all the machinery we need to ensure that our activity develops normally in line with the rules and interests of the institution for which we are responsible.

You are familiar with the Court of Auditors' reports since they are forwarded to Parliament. Consequently you can obtain an immediate and exact idea of the comments made in our regard. There have been comments; there are always comments to be made, but they are not the sort of comments which one would have reason to fear, judging by the wording of the article which you have just referred to. In other words, I am saying that there is no anomaly, nothing serious. Our financial management has not been called into question. It has been normal and healthy, and I am convinced that throughout our future relations, each time we speak of the management of the ECSC it will be very easy for us and for the Court to show that there is no reason to fear the sort of thing you mentioned in your speech. I wish to be quite categorical on this point. It is something which I am quite familiar with and I am not just saying the first thing that comes into my head.

President. — The debate is closed.

13. Conservation and management of fishery resources

President. — The next item is the report by Mr Battersby, on behalf of the Committee on Agriculture, on the proposal from the Commission to the Council (Doc. 1-247/81) for a regulation laying down for 1981 certain measures for the conservation and management of fishery resources applicable to vessels registered in the Faroe Islands (Doc. 1-265/81).

I call the rapporteur.

Mr Battersby, rapporteur. — Mr President, good relations between the Community and the Faroese are essential to this Community and to the Faroese people. We have also got to recognize that the Faroese have only one industry, and that is fishing. Without their fishing industry the Faroese could not exist. In the fisheries field it is essential that we cooperate as equal partners in these northern waters in conserving valuable fish stocks.

In my short report I have endeavoured to emphasize the importance of good relations but also to draw attention to two problem areas: the problem of the North-Atlantic salmon fishery in Faroese waters and the difficulties faced in catching the quotas allocated to us due to the highly complex and large number of trawl-free zones in Faroese waters on the grounds traditionally fished by our fishermen. These fishermen come mainly from Scottish ports, but also from Denmark. Such restrictive zoning is not used in our waters, and it is much easier for Faroese vessels to catch their quota in our waters. Consequently, there is the danger that we may be placed at a disadvantage in these Community-Faroese agreements. Quotas are no good to anybody if we cannot catch them! I ask the Commission to keep a weather eye open on this factor in the future.

The Commission must ensure that these agreements provide a *de facto* and not just a *de jure* cod equivalent balance. One could say that from the quotas given in the present agreement, that the cod equivalent balance is slightly in the Faroese favour. Although perfect balance is almost impossible to achieve, the Commission must endeavour in future agreements to achieve a closer cod equivalent balance.

I can now turn to the North-Atlantic salmon. In the 1978/79 season, 50 tonnes were caught in Faroese waters. In 1979/80 season, 693 tonnes; in 1980/81 season, between 720-800 tonnes. Twenty-three boats, mainly Faroese, were operating in 1979 and 1980; this has doubled to forty-six in 1981. If you compare this tonnage with the quota for the whole of Greenland in Greenland waters, for the same species, which is only 1 190 tonnes, you can see the dangers that this species, which is a migratory species moving from Greenland through the Faroese gap into Scottish, Irish and

Battersby

Norwegian waters, faces due to this present over-fishing.

I would also like to draw attention to the reaction of the United States Government of deleting all references to the Salmon Convention agreement which covers this species from the draft Law of the Sea Convention. Uncontrolled salmon fishing in Faroese waters could destroy the Greenland salmon fishery as well as the Scottish and the Irish fisheries. I call on the Commission and the Council to work with due urgency with the Faroese towards the conclusion of a new, effective salmon convention. Similarly the Commission should be established once and for all if there is any relationship between the Skaggeak and the mid North Sea herring before next year's quotas are established.

The trawling restrictions in Faroese waters, I admit, affect both Faroese and Community fishermen, but are, of course, far more of an onus on people who have taken 2 or 3 days to get there than somebody who only takes 2 or 3 hours to get there. I have also pointed to the dangerous over-fishing of the North-Atlantic salmon by the Faroese. But I nevertheless believe that this is a sound and useful instrument in the context of maintaining and improving Community-Faroese relations. I recommend that the Parliament approves the regulation and the resolution forthwith.

President. — I call the Socialist Group.

Mr Fich. — (DA) I am glad Mr Battersby supports the outcome of the negotiations between the Faroes and the Community and I can say that I support Mr Battersby's report. I must, however, point out that this was not an easy decision, because the terms which were offered to the Faroese and were accepted were very hard for them to accept and it should not be thought that they were offered extremely favourable terms. That is not the case.

This matter has been dealt with very quickly in the Committee on Agriculture and we must be grateful to it for that. But a less satisfactory part of the business is that it has lain in the Council of Ministers for seven months, blocked by the United Kingdom. Of course, I recognize that the United Kingdom like any other country is entitled to block a matter in the Council, but in this case this has created an extremely difficult situation, for two reasons.

Firstly, it has affected a small population which has no alternative industry to fishing. The result in the Faroes has been that a number of boats have been laid up, others may have sailed off to the West Indies and Africa to try their luck there, while others have gone bankrupt. It has really created a difficult situation for the Faroese and that is hardly the way that a large country should be treating a small one.

Secondly, the Member States undertook on 30 May 1980 to create a common fisheries policy. So the blocking action by the United Kingdom has, in my view, been reprehensible. What was adopted on 30 May 1980 was a package which included the idea that there should be a common fisheries policy and clearly this undertaking has not been fulfilled in the first seven months of this year. Let us hope that it may materialize soon. Let us hope that this means that a start has now been made on establishing a common fisheries policy. This, at any rate, is the wish of this House.

President. — I call the European Democratic Group.

Mr Provan. — Mr President, I should like first of all to thank Mr Battersby for his very good report on these very difficult negotiations. We will support Mr Battersby's report, but with reservations regarding what the Commission has done. I fully agree with him on the question of salmon. Mr President, you come from one of the Scandinavian countries and you realize how important it is for the future of our rivers in Scotland that too many salmon are not caught at sea. I am glad to know that part of this agreement will come under the North-Atlantic Fisheries arrangements, because that is as it should be.

It is also necessary to stress very strongly that the Faroese Government has sometimes quite arbitrarily arranged that certain areas of water are not available for fishermen to catch the quota allocated to them. Now this makes it very much more difficult on certain occasions for our Community fishermen to catch the amount of fish that has been agreed. At other times the clamps have come down completely and deadlines have been set at 24 hours notice stopping Community fishermen from entering Faroese waters. These things we don't like very much. We believe also that it should have been possible to negotiate a better deal with the Faroese, because we take so much fish from the Faroes into our Community markets and especially into the UK market. There has been no real recognition of the fact that we take so much of their produce into our markets.

The other thing I would mention before concluding, Mr President, is the matter of herring. I think it is well known that many of us in this Parliament would not like to see the herring fisheries in the North Sea reopened at all unless ICES (the International Council for Exploration of the Sea) can give us reliable statistics to prove that there are sufficient herring there, so that once the fishery is reopened it will remain open for generations to come. The worst thing that could happen would be to open the fisheries and to have to close them again two or three years later. With these remarks, Mr President, we accept the Battersby report and will support it.

President. — The debate is closed.

I call Mr Adam for an explanation of vote.

Mr Adam. — Mr President, I do appreciate the special dependence that the Faroes have on the fishing industry and the importance of having this agreement.

I would very much like to vote for it, but I am not satisfied with the arrangements that are made with regard to the herring stock in the North Sea, particularly the part that affects the north-east coast of England and the arrangements that apply in the Skagerrak. Under these arrangements, which, some experts claim, seriously affects the situation off the north-east coasts of England, the herring fishing in the Skagerrak would actually increase by around 8%.

Now there is no agreed evidence up to now that the herring position off the north-east coast of England has improved as a result of the conservation measures. The local fishermen have made a lot of sacrifices in agreeing to all sorts of conservation measures. They are entitled to see some improvement and I have decided, very reluctantly, that until I can be given firm assurances on that point, and evidence that I can accept, I will have to vote against any proposals to increase herring fishing in the North Sea.

(Parliament adopted the resolution)

14. Agenda

President. — I have received from the European Democratic Group a request for the ratification of the following appointments to parliamentary committees:

- Mr Howell and Mr Kellett-Bowman as members of the Committee on Budgets to replace Mr Tuckman and Mr Forth

- Mr Tuckman and Mr Patterson as members of the Committee on Social Affairs and Employment to replace Miss Brookes and Mr J. D. Taylor

- Miss Brookes as member of the Committee on Youth, Culture, Education, Information and Sport to replace Mr Patterson

- Mr Forth, Mr Price and Mr Simpson as members of the Committee on the Rules of Procedure and Petitions to replace Mr Patterson, Mr de Courcy Ling and Lady Elles

Are there any objections?

The appointments are ratified.

I call Mr Newton Dunn.

Mr Newton Dunn. — Mr President, I may have misunderstood you but under Rule 49, paragraph 4, at the end of each session the President shall announce how many signatures have been obtained by the motions entered in the register. I do not think that I heard you announce them.

15. Adjournment of the session

President. — I declare the session of the European Parliament adjourned.¹

I wish all Members a pleasant summer holiday.

(The sitting was closed at 2 p.m.)

¹ See Minutes of this sitting for the following items: Deadline for tabling amendments — forwarding of resolutions adopted during the part-session — motions for resolutions entered in the register pursuant to Rule 49 — and dates of the next part-session.

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