

Economy July 1984.

**Maher**

between the major powers in confrontation to try and see whether it is possible to achieve a diminution of the nuclear weaponry that is building up in the world today: 50 000 extra warheads are being built each year, and yet we have no money for food aid! We cannot afford to get rid of our surpluses, but we can spend billions every year, 365 times as much, on weaponry for destruction as we spend on food aid. This would be clear evidence that this Community meant something to the people living in these countries.

(Applause)

**Mr Hume.** — Mr President, I am particularly pleased to have the opportunity to speak in this debate today on the occasion of the Irish presidency. I think it is extremely important that small countries in this Community should have a major voice in this Community and that, in particular, the youngest independent sovereign state in the European Community should have assumed the key rôle of the presidency. The unity of Europe can only be preserved if we recognize, preserve and develop its diversity as well. It is to the smaller voices in the Community that the duty falls of continually reminding this Community of the necessity to preserve and develop our diversity.

The President-in-Office of the Council, Dr FitzGerald, and his colleague, Mr Barry, both spoke on a wide range of issues. I do not intend in the time available to follow them down the road of every issue, but I would like to concentrate on what both of them recognized as the major issue facing this Community. That is the question of unemployment — an absolutely massive human problem facing the peoples of the European Community today — and in particular, the problem of youth unemployment. I come from a region which has the highest unemployment rate in this entire Community: at the moment it is 22%, and according to reliable forecasts, if the *status quo* continues in Northern Ireland, it will reach 33% in six years' time — one-third of the community and one out of two young people with no hope of a job.

What I have to say from my experience of the devastating effects of unemployment on a society is that this Community will ignore at its peril the threat that unemployment, and youth employment in particular, poses to the very democratic process itself. The existence of widespread youth unemployment has a close connection with violence, with paramilitary organizations and with those who do not wish to pursue the democratic process. I believe it to be the major problem facing the European Community.

The President-in-Office rightly stressed the need for the Community to create an economic climate in which growth can take place, because it is patent nonsense in a common market for member governments to be pursuing conflicting economic policies. This, however, is not enough to ensure that we create an

economic climate for growth; we must also consider the policies that are pursued by the Community itself. There has been a great deal of discussion about the need for reforming the common agricultural policy. There are not many people who would dispute that, but I should like to remind this House that it is specifically the poorer and more deprived areas of this Community that are the most heavily dependent on agriculture, and we must remember this important fact when considering any changes in agricultural policy. Moreover, the industrial countries who complain about the size of their budgetary payments should have it pointed out to them repeatedly that the freedom of access for their industrial goods to the markets of this Community does not cost a single penny in budgetary terms. It is therefore their duty to support other Community policies designed to help the regions that allow them this freedom of access for their industrial goods.

That means for me that changes in agriculture should be based on a more regional approach, so that the poorer regions are cushioned against the harsher effects. Indeed, if we had taken a more regional approach to agricultural policy in the recent milk disputes, I believe that areas like my own would have been saved a great deal of hardship. What I mean is quite simply that those areas of this Community which can easily switch to other agricultural products without causing any damage to either employment or other aspects of the local economy are the ones that should be penalized for overproduction; but it is a serious injustice when regions which have only one simple raw material, e.g., grass, and only two products based on that — beef and milk — are penalized for producing those very products.

As regards the other two major areas of policy — those covered by the Social and Regional Funds — the result is what can only be described as one of the great failures of this Community. The high-minded commitment in the Treaty of Rome to removing the imbalances in living standards between the different regions of this Community has clearly not been fulfilled. One of the main reasons for this is that there has been very little attempt to develop the Social and Regional Funds — supposedly the instruments for removing these imbalances — into active regional policies. I hope that the call by the President-in-Office for the development of the Social Fund into something much more than a simple training fund — that is to say, into a means of creating employment in the Community — will be followed and followed with some rigour, and that in the process there will be a much heavier concentration, particularly in the more deprived regions, upon giving assistance to small and medium-sized enterprises than, as hitherto in many regions, upon attracting multinational investment.

In the last 10 years, some 60% of all new jobs in the United States have been created in enterprises employing fewer than 20 people. It is remarkable that in the poorer areas of the European Community the corres-

Hume

ponding figure is only 27%, so there is quite a lag to be made up and this is clearly an area to which the Social Fund could be heavily applied.

Similarly, the Regional Fund has hitherto been no more than a fund, and the first step towards turning it into a regional policy is, of course, the notion of developing integrated operations. I am very pleased that the city of Belfast should have been one of the first areas to be chosen for an experiment in this type of policy; but I should like to see that policy developed further, with integrated operations being developed for whole regions, particularly for the major urban areas, where there are serious problems arising from industrial decline, and also, of course, for rural areas within the framework of rural development programmes.

Ever since Mansholt, there has been a strong tendency in this Community to encourage people to leave the land. That is not only false on economic grounds, because people leaving the land today are simply swelling already swollen dole queues in the city, but it is also socially and culturally unacceptable to disrupt rural communities. I welcome in particular the Commission's commitment to the introduction of a new anti-poverty programme singling out those sections of society that suffer most from high unemployment, are dependent on social welfare and receive very little assistance from this Community — the elderly, the young, and the single-parent family, and I look forward to a considerable development of that programme.

Coming, as I do, from Northern Ireland, I should like to say that the continuing tragedy of Northern Ireland is an affront to the ideals on which this Community was founded, ideals which suggest that we should be doing all in our power to remove ancient quarrels. The European Parliament has already spoken eloquently on this quarrel, particularly in the Haagerup report, and I would commend the Commission's first response to that report which came a month ago. I look forward to the development of that response, but I believe that the suggestion made by the British Labour Members, which applied to the presidency of the Commission, should receive further consideration within the Council of Ministers, precisely because if, as a Community, we are to concern ourselves with conflict situations all over the world, our first duty is to concern ourselves with those in our own midst.

Finally, we have had mentioned the wider East-West and nuclear conflicts. I take a very simple view of these matters: there is no such thing as a good nuclear weapon, and therefore nuclear weapons should be wiped out. The alternative to war must, of course, be a political one, and we should never forget that the original purpose of this Community was to develop an alternative to war among peoples. That is the great incentive for strengthening this Community and its institutions: I would encourage the Irish presidency in

its declared intention to do so, and wish them well in the next six months.

(Applause)

Mr Herman. — (FR) Mr President of the Council, re-reading the speech you gave this morning I was staggered to see the gap between reality and words. I quote: 'It is our intention that the fullest consideration will be accorded by the Council to the opinions of Parliament'.

These are brave words that do you honour, and it is not my intention now to question the good intentions of the Irish Presidency which, I know, means to promote the interests of Europe. But, on the basis of what we know, I have to say that it is a long distance between the cup and the lip.

Some time ago, after a detailed and thorough study, the validity of which has not been questioned, this Parliament took the trouble to put forward interesting proposals on two matters which are of particular concern to us: monetary integration and economic recovery. We have still to receive the slightest reaction from the Council. May I ask you what you intend to do? Have you studied the proposals? When and where? And, in the light of your encouraging statements, may we hope that, taking advantage of the approaching holiday period, you will see to it that these documents are looked into and that you will let us know what you think of them and what you mean to do?

If now, passing from the Parliament to the Commission, I look again at your speech, I find that you await new proposals from the Commission on research and the new technologies. Well, to my knowledge, the Commission's shelves are bulging with proposals — some of them very interesting and very important — which the Council has not accepted or which are still waiting for an answer.

What is the point of asking the Commission for new proposals when those which have been put before you are still waiting for action? We should like to be able to take you at your word and we are counting on you to change things so that we may soon hear the good news of action you intend to take on proposals from Parliament and the Commission.

In closing, I should like to reiterate the question that my colleague, Lord Douro put this morning: How much credence should we give to the statements by Presidency of the Council. I am not speaking of yours; I mean the previous one. After Fontainebleau a document was published stating, of course, that the Council had agreed that measures be taken to complete the financial year 1984 and provide finance for the policies in course of implementation. The fly-leaf of that document bears a little paragraph which says: 'Sections 1, 2 and 4 have been debated and approved by the Council,