

European Communities

EUROPEAN PARLIAMENT

Working Documents

1973-1974

27 June 1973

DOCUMENT 107/73

Report

drawn up on behalf of the Committee on Economic and Monetary Affairs

on the Communication from the Commission of the European Communities to the Council (doc. 68/73) on the progress achieved in the first stage of economic and monetary union, on the allocation of powers and responsibilities among the Community institutions and the Member States essential to the proper functioning of economic and monetary union, and on the measures to be taken in the second stage of economic and monetary union

Rapporteur: Sir Brandon RHYS WILLIAMS

PE 33.471/fin.

By letter of 16 May 1973 the President of the Council of the European Communities submitted to the European Parliament the Communication from the Commission of the European Communities to the Council on the progress achieved in the first stage of economic and monetary union, on the allocation of powers and responsibilities among the Community institutions and the Member States essential to the proper functioning of economic and monetary union, and on the measures to be taken in the second stage of economic and monetary union (doc. 68/73).

On 4 June 1973 Parliament referred this Communication to the Committee on Economic and Monetary Affairs.

The Committee on Economic and Monetary Affairs appointed Sir Brandon RHYS WILLIAMS rapporteur on 5 April 1973.

It discussed this Communication at its meetings of 24-25 May and 14-15 June 1973.

At the last meeting the committee unanimously adopted the motion for a resolution.

The following were present: Mr Lange, chairman; Sir Brandon Rhys Williams, deputy chairman and rapporteur; Mr Artzinger, Mr Bersani, Mr Berthoin, Mr Burgbacher, Mr Flämig (deputizing for Mr Arndt), Mr Harmegnies, Mr Kater, Mr Mitterdorfer, Mr Normanton, Mr Notenboom (deputizing for Mr Schwörer), Lord Reay and Mr Yeats.

The Committee on Economic and Monetary Affairs hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the Communication from the Commission of the European Communities to the Council on the progress achieved in the first stage of economic and monetary union, on the allocation of powers and responsibilities among the Community institutions and the Member States essential to the proper functioning of economic and monetary union, and on the measures to be taken in the second stage of economic and monetary union.

The European Parliament,

- having regard to the Communication from the Commission of the European Communities to the Council (Doc. 68/73);
- having regard to the final communiqué of the Conference of Heads of State or Government held in Paris on 19 and 20 October 1972;
- having regard to its resolutions, particularly those of 3 December 1970 ¹⁾, 15 March 1973 ²⁾ and 5 June 1973 ³⁾;
- having regard to the report of the Committee on Economic and Monetary Affairs (Doc. 107/73)

1. Takes note of the Commission's communication to the Council on the Communities' progress towards economic and monetary union; shares the Commission's judgement of the causes of the disappointing achievements of the first stage; but regrets the lack of precision in the outline programme of action;
2. Observes that the lack of progress towards economic and monetary union is largely attributable to the failure of the Council to take decisions on the basis and within the framework of the treaty. And considers that positive political action is now essential to give effect to the decisions of the Summit Conference.
3. Demands therefore that the necessary executive powers should be conferred on the Commission to implement the programme already agreed by the Heads of State and Government, and that the parliament should forthwith be given an effective legislative and controlling role.
4. Requires from the Commission a clear and specific programme for the approach to economic and monetary union, with guidance on the future role and powers of the Parliament, the Council and the Commission, and the changes which will be necessary in the relative status of the Community institutions and the national political and monetary authorities;

1) OJ No. C 151, 29 December 1970

2) OJ No. C 19, 15 March 1973

3) OJ No. C 49, 28 June 1973

5. Deplores the absence of any indication of the nature of the proposals which the Commission will put before the Council in the form of a Directive for the promotion of stability, growth and full employment within the Community, and a balanced position in external relations; and asks that they should be published forthwith in a consultative report;
6. Requires the Commission and the Council to proceed without further delay to develop the European Fund for Monetary Cooperation into an effective independent agency, exercising the powers of the Community's central bank and with the necessary authority and resources to promote a true economic and monetary union;
7. Stresses the need for a positive plan to achieve the unification of the European capital market and to encourage the free movement of funds for investment;
8. Considers that facilities for obtaining protection against parity changes affecting transactions on current account should be improved and made more readily available, and calls on the Commission to report on the most appropriate means of enabling traders throughout the Community to obtain forward foreign exchange cover on reasonable terms;
9. Stresses the need for far-reaching measures to achieve balanced regional development but welcomes the Commission's proposals for an independent Community fund for the relief of unemployment and for the provision of guaranteed incomes for persons undertaking retraining;
10. Calls on the Commission to elaborate its proposals for harmonisation of Community social security systems and personal taxation;
11. Commends the Commission's suggestion that certain of its proposals to the Council of Ministers should be designated to be dealt with according to a pre-established procedure and draft timetable;
12. Takes note of the suggestion that the Parliament should adopt the practice of reviewing the Council's response to its recommendations, but declares that the Parliament must be the arbiter of its own agenda and procedure;
13. Insists that the Commission should revise its proposals in the light of these directives;
14. Requests its President to forward this Resolution and the Report of its Committee to the Council and Commission of the European Communities and the parliaments and governments of the Member States.