

Question No 6 by Lord Bethell: Air fares within the European Community

Mr Burke, *Member of the Commission*, answered the question and supplementary questions by Lord Bethell, Mr Seefeld, Mr McDonald, Mr Corrie, Mr Johnston and Lord Kennet.

The President declared the first part of Question Time closed.

Mrs Dunwoody and Mr Spicer spoke on a question of procedure.

Company taxation (vote)

Parliament adopted the resolution contained in the Nyborg interim report (Doc. 104/79):

RESOLUTION

on the harmonization of systems of company taxation and of withholding taxes on dividends

*The European Parliament,*

- having regard to the proposals from the Commission to the Council (\*),
  - having been consulted by the Council pursuant to Article 100 of the EEC Treaty (Docs 228/75 and 261/78),
  - having regard to the interim report of the Committee on Economic and Monetary Affairs (Doc. 104/79),
1. Points out that the different systems of company taxation in the Member States lead to distortions of competition and to unequal treatment of shareholders; this distorts the nature and direction of investment and constitutes an obstacle to integration;
  2. Emphasizes, therefore, the need to eliminate at the earliest possible date the discrimination practised by certain Member States in their treatment of resident and non-resident shareholders and to achieve greater uniformity in the Member States' systems of company taxation and of withholding taxes on dividends;
  3. Maintains that, in order to achieve neutrality in the matter of taxation systems, rates of taxation and tax credits and systems of assessing companies' taxable profits must be harmonized;
  4. Regrets that the Commission's proposal deals with only one half of the problem; implementation of the Commission's proposal would thus be no more than a limited step towards taxation neutrality;
  5. Notes that the Commission has shown increasing awareness of the fact that harmonization of the rates of taxation and tax credits must take place in parallel with the gradual harmonization of systems of assessing companies' taxable profits; but also notes that amendments to the Commission's proposal will not bring about such parallelism;

(\*) OJ No C 253, 5. 11. 1975, p. 2; OJ No C 184, 2. 8. 1978, p. 8.

6. Invites the Commission, therefore, to draw up a proposal for a Council Decision laying down the guidelines for the future harmonization of company taxation and, as soon as possible, proposals for coordinating Member States' systems of assessing and controlling companies' taxable profits;
7. Continues, until then, its discussion of the Commission's present proposal;
8. Instructs its President to forward this resolution to the Council and Commission.

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**Air traffic control (vote)**

Parliament adopted the resolution contained in the Noè report (Doc. 106/79):

**RESOLUTION**

**on the promotion of efficient air traffic management and control**

*The European Parliament,*

- having regard to the report of the Committee on Regional Policy, Regional Planning and Transport (Doc. 106/79),
- referring to its resolution <sup>(1)</sup> and report on the promotion of efficient air traffic control (Doc. 49/78),
- following the public inquiry which its Committee on Regional Policy, Regional Planning and Transport held accordingly on 19 and 20 March 1979 in Paris in which the relevant international and European organizations and parties concerned participated,

1. Stresses its conviction that the present relatively high safety standards of air transport in Europe can be raised yet further, and that all possible efforts in each branch of air traffic management should be directed towards this end, especially in view of the expected increase of air traffic;

(a) *With regard to the general organization of air traffic in Europe*

2. Notes that the air traffic system, both in the Community and in Europe as a whole, suffers from inadequacies which cause expensive delays and disruptions and results in a heavy burden on control systems and the airspace users;

3. Is convinced that it is essential, both for reasons of safety and for a more efficient use of available airspace, to establish full cooperation between civil and military control units with a view to possible integration, and wishes in this respect to draw attention to the original solution adopted in the Eurocontrol air traffic control centres of Maastricht and Karlsruhe, where civil and military controllers are co-located and are using the same equipment;

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<sup>(1)</sup> OJ No C 131, 5. 6. 1978, p. 31.